

ANNUAL REPORT

2020





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INTRODUCTORY WORD FROM THE CHAIRS

The year 2020 was unprecedented in many ways, but we would like to highlight the commitment and resilience that Ethias has demonstrated. From the start of this terrible crisis, we have been committed to protecting our colleagues and to helping - as and when needed - our policyholders, public authorities, citizens and the many sectors in need. Active participation in both the federal and regional recovery plans has also quickly become an obvious step.

These exceptional circumstances have not dampened our innovation dynamic by launching our first 100% digital Flora insurtech, modernising our IT tools and also by deploying a solid group strategy focused on creating value through ecosystems in crucial areas such as health, ageing, mobility and public services.

The strong progress in our results and the achievement of our actions in 2020 are closely linked to our unique business model, the continued commitment of our 1900 talents, the trust of our clients, our solid policy of societal responsibility and the support of our shareholders: the Federal State, the Walloon Region, the Flemish Region and the cooperative company EthiasCo, which represents the local authorities.

Thank you to all these players who enable us to look to the future by mobilising all our energy in the service of all Belgians.

We are also pleased to present to you our fourth non-financial report, which may be found in annex. It details the performance of our model in social, societal and environmental terms.

OUR 2020 RESULTS

As at December 31, 2020, the **net result amounts to 205 million euros**.

The **Non-Life** operating result amounts to 170 million euros, i.e. an increase by 39 million euros compared to 2019. Although the COVID-19 crisis had an impact on premium collection, this impact was offset by lower claims costs, mainly due to mild weather conditions and a decrease in road accidents.

Life business posts an operating result of 64 million euros, a slight increase compared to 2019.

Overall income amounts to 2.73 billion euros, i.e. an increase of 59 million euros. A very good performance thanks to Life insurance, which offsets the impact of the economic crisis following COVID-19.

The **Solvency II ratio** amounts to 187%¹ after deduction of the proposed dividend of 103 million euros. This is an excellent result given the particularly difficult context of 2020. It should be noted that the ratio is calculated according to a standard formula without using transitional measures for technical provisions.

Subject to approval by the General Assembly, **a dividend of 103 million euros** will be paid, in accordance with the conditions set in the new NBB circular of January 2021.

In May 2020, **Fitch Ratings** affirmed Ethias SA's **Insurer Financial Strength (IFS) Rating at 'A-' with a stable outlook**. The agency underlined the insurer's strong capitalization, good profitability and strong business profile.



PARTICULAR MEASURES IN A PARTICULAR PERIOD: A UNANIMOUSLY ACCLAIMED FOUR-STAGE PLAN

Faced with the seriousness of the situation, Ethias immediately took responsibility by implementing a broad support plan that was appreciated by both its individual clients and public bodies and acknowledged by the authorities. This plan is based on four pillars: protection of its employees, protection of its clients, protection of the company and, finally, support for the Belgian economy's recovery. Ethias has also been awarded a DECAVI trophy for all the measures it has taken.

Ethias has proposed, among other things:

- free extensions of coverage to insure health care staff and the thousands of volunteers who work alongside them;
- reimbursement of certain premiums, of one month's rent and discounts on car and cancellation insurances;
- support for the sports, cultural and education sectors;
- innovative solutions (teleconsultation, aid & solidarity platform for citizens ...);
- free professional psychosocial assistance to employees, students and self-employed persons;
- support for the self-employed and for SME's & micro-enterprises;
- insuring the vaccination centres;

- financial support for the federal and regional recovery plans, together with the public authorities;
- (...)

At the time of finalizing this report, the pandemic is not yet behind us, but our company is in control of its impacts. As an insurer, investor, societal player and entrepreneur, **Ethias will continue to take all possible steps to help reduce the negative consequences of this global catastrophe on its policyholders and on Belgian society.**

We are particularly proud of the further developments in our activities, our values, our talents, our organization and the results achieved in 2020.

Philippe LALLEMAND

Chair of the Management Committee

Myriam VAN VARENBERGH

Chair of the Board of Directors

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 31 March 2021.

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 19, 2021.

1. KEY FACTS OF 2020

1.1 THE COVID-19 PANDEMIC

The health crisis and its consequences have undeniably had a non-negligible impact on all levels of our insurance activities in 2020. And at the beginning of 2021, the crisis persists and continues to percolate into the real economy.

Throughout the first lockdown period, all of our regional offices remained closed. At that time, only our Contact Centers and our website with its Client Zone were our bridgeheads to stay in touch 24/7 with our policyholders and prospects. Our “phygital” structure has clearly proved to be a real asset for remaining at everyone's service at all times, beyond the crisis and its unprecedented situations.

During the second lockdown period, the activity of the regional offices was considered essential and they were able to remain open but in the meantime the client has committed to the full use of digital services offered, driven by the consequences of the first lockdown.

In the end, by the end of 2020, we will have recorded almost 50% fewer visits to our offices, a 10% increase in the volume of telephone communications in our Contact Centers and up to 60% more web visits (notably in June 2020), all of which will result in new business growth as of June 2020 (excluding “COVID-19 products” such as Travel Cancellation and Assistance).

At the same time, the year 2020 has seen a significant reduction in the frequency of claims in the Motor branch and a decline in churn volumes.

At the level of public authorities and companies, the year 2020 was marked by a decrease in the claims rate, which mainly impacted the branches “Motor” and “Workers” Compensation”, reflecting a slowdown in economic activity, which was particularly felt during the first lockdown period.

This slowdown, which according to NBB statistics resulted in a fall in GDP of more than 6%, also had an impact on our premium collections, where coverage suspensions and premium revisions were requested by our clients.

Fortunately, in 2020 our portfolio was only slightly impacted by bankruptcies of business clients or payment defaults. This results in particular from the preponderant share of public authorities in our portfolio and a relatively weak presence in the economic sectors hardest hit by the crisis. Similarly, few clients have requested the payment facilities provided for in the government agreement as a business support measure.

The financial turmoil due to the COVID-19 crisis had, on a year-on-year basis, a relatively small impact on Ethias' SII coverage ratio (-3%), mainly due to our reduced sensitivity to interest rates and close monitoring of our spread positions, thanks to the increase in equity markets during the second half of the year. This impact also takes into account a higher level of voluntary risk-taking (equity, higher reinvestment in bonds with a higher spread, etc.). From a technical point of view, the NBB's validation of our “USP” projects (“Undertaking Specific Parameters”) also has a positive impact on our ratio. Ethias' solvency position remains solid, mainly thanks to a well-diversified investment portfolio and limited exposure to sectors that have suffered particularly from the crisis such as leisure. Moreover, this position has been strengthened by close monitoring of market anticipations, a dynamic management of financial risks and the elaboration of hedging programmes when necessary and by regularly updating the estimate of COVID-19's impact estimation on the company. Furthermore, several scenarios were reviewed and updated on a regular basis throughout the year in order to take into account the latest data and trends, some potential lagging effects as well as the uncertainty around the evolution of the pandemic and its impacts on the economy.

As a result of the COVID-19 crisis and its socio-economic consequences on our insurance (underwriting) activities, the emergence of several risks has been observed.

The impact of the payment default risk was mitigated by Ethias' highly diversified position.

There remain uncertainties as to the extent to which the insurance sector will be required by the government to either adjust premiums to the claim evolution due the health crisis (e.g. in motor or health insurance) or to cover the COVID-19 pandemic risk (currently without a clear view on how the (re)insurance market can handle that risk, possibly together with the authorities).

Furthermore the delay in non-urgent health care (not performed during the lockdown period) may also lead to an increase in severity of future claims (due to a deterioration of the health state because of deferred care).

Finally, we can also mention that a prolonged health crisis could lead to an increase in fraudulent behaviour or unpaid premiums (resulting from the economic crisis) and that habits linked to more frequently working from home may contribute to a change in the risk profile (increased exposure to cyber risk, alteration of the worker's accident risk profile, ...). No realization of the fraud or default risk was observed in 2020.

For Ethias, the past year was an opportunity to test its resilience on a large scale, but also its values (solidarity in particular) with many policyholders and even more broadly with society as a whole. The model has been able to demonstrate its solidity and its ability to deal, by itself, with unforeseen situations with multiple and far-reaching impacts. In spite of this situation, Ethias managed to achieve the goals set out:

- **The 2020 results exceed expectations** thanks to various actions taken very early in the year to protect the company from the effects of the pandemic and thanks to the dynamism of the sales teams, enabling the company to reach unexpected levels of premium collection in the current situation;
- The solvency level was maintained throughout the year;
- A group strategy has been determined which, through synergies, expertise and the talents of more than 4100 employees, allows Ethias to accelerate the implementation of the ecosystems and to position the company on a service offering that goes beyond the mere proposal of insurance contracts;
- **Flora** has become a reality and actually positions Ethias on the insurtech market (100% digital product offer) - see chapter 9 on Research & Development;
- **Various applications have been developed** to meet pandemic-related needs and will complement the service offering to clients in the future - see chapter 9 on Research & Development.

Faced with this exceptional situation, Ethias developed a four-phase plan in 2020 which, among other things, has allowed the company to anticipate certain changes at the organizational, strategic and human levels. This approach has also enabled the insurer to stand out both internally and externally and has been highlighted by both the sector and the political world. These 4 phases continue to be the guiding thread of actions taken by the Management Committee:

- **Protection of employees:** In the course of the past weeks, the company has stood by its employees, both individually (with initiatives related to psychosocial risks or compliance with safety rules) and collectively (with initiatives aimed at maintaining cohesion within the teams and within the company in general);
- **Protection of clients:** From the start of the crisis, Ethias has supported its clients: in B2B through various initiatives for the health sector, sports federations and education (notably through financial support to the Red Cross and Doctors Without Borders, donation of equipped PCs to schools and to the non-profit organization Digital4Youth, extension of guarantees, distribution of disinfection materials and info panels/stickers for sports infrastructure and free coverage of staff in vaccination centres) and in B2C (a tenant premium, spread and refund of premiums in case of difficulty, waiving of tariff increases, development of Care4You, App4You, etc.). Other initiatives continue to be added, such as the granting of aid to associations that combat domestic violence or support for the cultural sector through the funding of radio spots. In total, no less than 50 measures have been implemented by Ethias in favour of its clients, in line with its values and corporate social responsibility. The company's accessibility for B2C clients has been continuously ensured via internet, telephone, app and chatbot as well as by the organization of back-ups in case of unavailability of a team on-site. This proactive support to clients also remains a priority for the Management Committee;
- **Protection of society:** From the start of this crisis, Ethias has had this willingness to protect society in line with the values it has always defended. In addition to the aid granted to the cultural, sports, hospital and education sectors, Ethias has very quickly positioned itself as a player in the revival process with the granting of a loan to the Regional Investment Company of Wallonia (SRIW), the participation as an expert in sessions related to the organization of project financing at federal level and with the capital increase of Finance&Invest.Brussels. Finally, Ethias stands alongside PMV to support the launch of the «Welvaartsfonds» (Prosperity Fund), an initiative of the Flemish Government. Ethias continues to be attentive to any initiative aimed at reviving the economy;
- **Protection of the company:** Despite the positive figures, Ethias has remained attentive to controlling its costs (significant reduction in consulting and other costs) and to implementing levers for protecting its solvency.

In conclusion, this four-phase strategy has demonstrated its usefulness and relevance in managing the crisis. It has allowed Ethias to remain present at different levels and with different stakeholders of the company.

This plan has also made it possible to structure the approach, anticipate certain client needs and to move rapid progress, in an agile way, on ongoing projects, particularly in respect of ecosystems through the launch of certain applications (App4you, Care4you). The implementation of this plan, its monitoring and the related anticipation exercise have required considerable efforts from the teams in a situation of nearly full-time working from home alongside increased family commitments.

1.2 ETHIAS APPOINTS WILFRIED NEVEN AS CDTO

Wilfried Neven took office on February 21, 2020. He is in charge of accelerating Ethias' digital transformation, in line with the company's market positioning, strategic plan and client expectations.

1.3 CONCLUSION OF SEVERAL PARTNERSHIPS

The year 2020 saw the launch of many partnerships to support Ethias' market positioning. Partnerships have been concluded with:

- **Independer**, acting as a price comparator and insurance intermediary for car insurances. Independer is DPG Media's digital advice and comparison platform for insurances, banking products, energy and mortgages;
- **Assurances.be**, one of the key players on the Belgian market, acting as a price comparator and insurance intermediary for car insurances;
- **Keytrade Bank** for the «Home in One» package including a mortgage loan at Keytrade Bank and fire and outstanding balance insurances at Ethias;
- The housing company **Woonhaven Antwerp**, for distributing the insurance products «Home Contents» and «Private Life Civil Liability» to its 18,000 tenants.

1.4 MARKET CONDITIONS IN 2020

The year 2020 will have been a year without precedent in modern history, with the COVID-19 pandemic causing the most severe global recession in the post-war era and hitting a large number of countries simultaneously. This major shock cannot be completely erased and a return to normal in the global economy will take time.

At the economic level, the first half of 2020 was obviously marked by the effects of the epidemic and the lockdown policies in many countries. The contraction in global activity caused by the fight against the pandemic has been on an unprecedented scale. Nevertheless, the world economy was able to rebound in the second half of the year, benefiting from the easing of lockdown measures but also supported by ambitious budgetary recovery plans (a 750 billion euro plan for Europe and a 1,900 billion dollar plan for the United States).

In a scenario of easing restrictions and accelerating vaccinations, we should see a significant recovery in most economies by the second quarter. However, this scenario is still subject to many uncertainties (mutation of the virus, speed of vaccination, geopolitical problems, etc.). Politically speaking, the year 2020 was not easy either, with the American presidential elections first having an undecided outcome and finally seeing the victory of the Democratic candidate Joe Biden, but also the conclusion in extremis between the European Union and the United Kingdom of an agreement on post-Brexit trade relations. In this very delicate economic and health context, the main Central Banks conducted particularly accommodating monetary policies and resumed quantitative easing policies. In March, the European Central Bank (ECB) implemented a massive securities purchase plan, consisting of injecting liquidity into the financial system in order to ease credit conditions for companies and governments. On the other side of the Atlantic, the FED lowered its key rates by 150 bps to 0% and introduced an unprecedented and unlimited quantitative purchase programme.

As far as the financial markets are concerned, following the massive injection of liquidity by the ECB, bond yields in the euro zone fell sharply from April onwards, with e.g. a 10-year Bund ending the year 2020 at -0.57% (compared with -0.19% at the beginning of 2020). For its part, the 10-year OLO rate, in positive territory at the beginning of January (0.1%), finally closed the year 2020 with a marked negative yield (-0.38%). Same bearish momentum but even more pronounced for the peripheral countries of the euro zone. Indeed, 10-year yields in Italy (0.54%), Spain (0.05%), Portugal (0.03%) and Greece (0.63%) all reached new lows at the end of the year. These market movements have brought the 10-year Italian-German spread to around 110 bps, its lowest level since 2016.

In this low interest rate environment, the stock market performance of equities over the year 2020 has been surprising. Indeed, European stock markets were marked by high volatility and a very severe fall in March. In the months that followed, the European indices experienced two periods of increase, between April and June and then at end-2020, notably as a result of the accommodating monetary policy conducted by the ECB, the result of the US elections and the positive news on vaccine production.

Finally, the Euro Stoxx 50 continues on a negative performance for the whole of 2020 (-5.14%) but this is still measured against the global economic recession we have experienced. The same rebounds in 2020 can be seen on the US stock markets, but, as they are more exposed to technology and growth stocks in general, the US indices have seen a more pronounced upward movement than in Europe. As a result, the S&P and Nasdaq recorded very positive year performances of 16.26% and +43.64% respectively.

1.5 GROUP STRATEGY

With the implementation of its group strategy validated by its shareholders, Ethias is embarking on a new stage. This strategy consists of capitalizing more on the strengths and specificities of its subsidiaries (NRB, IMA Benelux, Ethias Services, ...) in order to position the Ethias Group as a value-generating group for all its stakeholders. This strategy is based, on the one hand, on strengthening the integration of the Group's entities and, on the other hand, on a «beyond insurance» approach, viz. evolving from an insurer's strategy towards a strategy of integrated services for the benefit of clients. Five pillars are the core of this strategy: (i) offering extended services, (ii) developing digital solutions, (iii) constructing ecosystems, (iv) developing synergies and (v) revising the commercial approach, including the conclusion of partnerships.

1.6. JOINT VENTURE WITH WEERTS GROUP

Ethias and the Belgian family business Weerts Group have entered into a 50/50 joint venture aiming at the joint development of a pan-European portfolio of logistics real estate. Ethias is thus partnering with a specialist in the sector whose decision-making centre is anchored at the local level and which creates a considerable number of jobs in the region. This partnership also aspires to achieve the objectives set out in the European Green deal. In the current economic context and low interest rate environment, the logistics real estate sector is one of the few sectors that offers growth opportunities.

1.7. COMMIT CONTRACT

At the end of 2020, Ethias signed the CommIT contract with its IT subsidiary NRB. CommIT is a transformation programme that involves a complete outsourcing of Ethias' IT activities in partnership with NRB. The transfer of Ethias' activities to NRB started in the summer of 2020 and became official on January 1, 2021.

The main objectives of this partnership are:

- A reduced and controlled total IT budget;
- A focus on innovation, modernization and continuous improvement to support Ethias' strategy (n°1 direct insurer, n°1 digital insurer and n°1 in the public sector);
- A move towards new ways of working and collaboration, notably by integrating the «Agile» philosophy;
- A strengthening of the Ethias/NRB partnership within the framework of the group strategy.

1.8 DECAVI

The quality of our products and services has once again been rewarded. Ethias has won **4 DECAVI Non-Life Insurance Trophies** in the following fields:

- Tenant Insurance;
- Family Civil Liability Insurance;
- Workers' Compensation Insurance;
- Digital Trophy for «My AT» in the Client Zone (consultation and follow-up by the victim of a work accident).

Ethias was also rewarded with a DECAVI Life Insurance Trophy for its social commitment by receiving the first DECAVI Trophy «Pandemic». The award recognizes the initiatives taken by the insurance industry to fight the COVID-19 virus or to help those in need during this exceptional period.

1.9. PUBLICATION OF OUR 3RD CSR REPORT, TESTIMONY TO ETHIAS' LONG-STANDING INVOLVEMENT IN CORPORATE SOCIAL RESPONSIBILITY

In 2020, Ethias published its 3rd non-financial report since the transposition of the European Directive 2014/95/EU into Belgian law. Designed around the 3 pillars «People, Profitability & Planet», this report reviews Ethias' 2019 actions on the social, societal and ecological levels.

1.10. “CHANGE OVER”: ETHIAS COMMITS TO AN AMBITIOUS CLIMATE PLAN

Objective: to reach a climate-neutral activity by 2030 by means of an ambitious plan called “Change Over 2030”!

The trajectory to achieve this ambition will revolve around 2 major pillars:

- **Energy sobriety:** having CO₂-efficient buildings, limiting unnecessary travel and reducing unnecessary consumption;
- **Energy shift:** gradually moving to all-green electricity powered by low-carbon sources.

There will be 3 stages (2020-2025-2030):

- From 2020, Ethias will offset all its emissions by participating in one or more certified projects that contribute to reducing the carbon footprint;
- By 2025, it will reduce its CO₂ emissions by one third by renovating or constructing new corporate buildings based on the principles of «**Sustainable Building**». Ethias will continue its efforts in the area of **soft mobility** and it will totally transform its car fleet by promoting **electric and hybrid vehicles**;
- It will also continue its **work-from-home** policy;
- By 2030, **all of our buildings** will be CO₂-efficient. All our vehicles will emit 0 grams of CO₂ per km. Within the Ethias Group, we will work together with NRB, our IT subsidiary, to reduce our digital footprint.

1.11. ETHIAS, AN EVER MORE ATTRACTIVE EMPLOYER ACCORDING TO THE LATEST STUDY BY UNIVERSUM

In the latest survey conducted by Universum¹ among more than 11,000 students (Master's and Bachelor's degrees from Business, Engineering and Law schools), **Ethias records a 13% increase in 2020** in terms of attractiveness as an employer, after having already gained 16% in 2019 in the «business» category. **Ethias is also gaining 38 places among law students**, hence recording the best progression.

2. ANALYSIS OF THE RESULTS OF THE FINANCIAL YEAR

The year 2020 records a net result of 205 million euros, up 8% compared to 2019 thanks to a strong performance in Non-Life business. After withdrawals and transfer to untaxed reserves, the result to be appropriated amounts to 203 million euros.

Total premium income amounts to 2,730 million euros, an increase of 2% compared to the 2019 premium income, driven by a strong performance in Life insurance (+8%) which compensates for the slight decrease in Non-Life premium income (-3%), due to the impact of the pandemic, portfolio consolidations and the decision to reduce activities on the international level.

Despite the turbulent year on the financial markets as a result of the health crisis, the investment results in 2020 are positive thanks to the capital gains allowing to compensate for the write-downs on shares.

With regard to overheads, an exceptional charge relating to the group insurance of the personnel (Ethias Pension Fund OFP) was made for an amount of 10 million euros (of which 9 million euros in Non-Life and 1 million euros in Life).

2.1. NON-LIFE

The result of Non-Life business amounts to 167 million euros.

Income amounts to 1,382 million euros and decreases by 3% compared to 2019. It breaks down as follows between the segments “Private Individuals” and “Public Bodies & Companies”:

- Income for Private Individuals increases by 1% compared to 2019 and amounts to 590 million euros;
- Income for Public Bodies & Companies amounts to 792 million euros and decreases by 5% compared to 2019, mainly due to the impact of the pandemic, portfolio consolidations and the decision to reduce activities on the international level.

The operational net combined ratio amounts to 94% compared to 97% in 2019. This evolution is mainly the result of a decrease in the claims ratio, which can be explained in particular by the effects of the pandemic and the strengthening of technical reserves.

2.2 LIFE

The result of Life business amounts to 81 million euros.

Income at end-2020 is up by 8% compared to 2019 and amounts to 1,348 million euros, including 42 million euros in Private Individuals and 1,306 million euros in Public Bodies & Companies.

¹ Source: <https://peoplesphere.be/fr/> publication June 30, 2020 - Universumglobal.com

Income in Life Individuals decreases by 18% compared to 2019.

Premium income for Life Public Bodies & Companies increases by 9% compared to 2019, mainly coming from the 1st pillar.

The good performance of the Life business in 2020 is explained in particular by growing operating results and non-recurring financial income of 18 million euros as well as by significant mortality gains. These good results made it possible to endow the fund for future appropriations with an amount of 12 million euros and the provision for profit-sharing (net of taxes) with 37 million euros, mainly for ring-fenced funds from the 1st pillar.

2.3 NON-TECHNICAL

The non-technical result before tax shows a negative contribution of 25 million euros, mainly due to the expense of subordinated loans, impairments on receivables and voluntary assistance related to COVID-19. Tax expenses for the year amount to 18 million euros and benefit from the use of tax losses carried forward and deductions of income from innovation.

2.4. CHANGES IN SHAREHOLDERS' EQUITY AND SOLVENCY MARGIN LEVEL

After appropriation of the result, equity increases by 101 million euros to 1,461 million euros, compared to 1,360 million euros at end-2019, following a net profit of 205 million euros and the distribution of a dividend of 103 million euros.

The SII margin at end-December 2020, based on the standard formula, amounts to 187%.

3. APPROPRIATION OF THE RESULT

After withdrawal and transfers to untaxed reserves, the net profit for the financial year to be appropriated amounts to 203 million euros. After taking into account the profit carried forward from the previous year, the profit to be appropriated amounts to 487 million euros.

The following appropriation is proposed to the General Assembly:

- allocation to the statutory reserve; 10 million euros;
- profit to be carried forward: 374 million euros;
- remuneration of the capital (dividend): 103 million euros.

4. ASSESSMENT OF INTERNAL CONTROL

The preparation of the report on the assessment of the internal control system is in conformity with the NBB circular 2015_21 on internal control as well as with the COSO 2013 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 organizational 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 his internal control responsibilities.

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;
- 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:

- communicates internally the information which is required for proper functioning of the other internal control components, more specifically by obtaining relevant and qualitative information;
- 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:

- realizes 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 Management Committee and the Audit and Risk Committee.

The internal control system is constantly evolving and has been strengthened by the recruitment of specific skills and the creation of an internal control department.

5. MAIN RISKS (EXPOSURE AND MANAGEMENT POLICY) AND USE OF THE FINANCIAL INSTRUMENTS²

5.1. 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 and Actuarial Function. These are not only independent monitoring functions but also governance functions. Their conclusions and advices are translated into measures to reinforce the management structure, the organization and the internal control system. These functions are structured in such a way that they constitute three «defence lines»:

First defence line - Daily risk monitoring

The first defence line is provided by operational lines and support functions (accounting, asset management, IT, human resources ...). 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 actuarial function and the compliance function, which are responsible for ensuring that the risks have been identified and managed by the 1st line, according to the rules and procedures envisaged.

These three 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 Management 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.

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' Management Committee relies on committees dedicated to risk management:

- the Insurance Reinsurance Committee (IRC);
- the Assets and Liabilities Committee (ALCO).

² The solvency and financial condition report (<https://www.ethias.be/corporate>) provides further explanations on risk management.

In fact, these committees are monitoring, decision-making and reporting instruments, particularly in terms of risks. Each committee is chaired by a member of the Management Committee. The CRO is present in each committee dedicated to risk management. It was the willingness of the Management 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.

The Insurance Reinsurance Committee (IRC) follows the technical risks of the existing products, analyses the mitigation actions of the technical risks, analyses the modifications to existing products or the proposals for new products and supervises the reinsurance programme.

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.

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 Management Committee, and verifies its proper application.

5.2 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. The Risk Appetite the responsibility of the Board of Directors. In practice, it is proposed by the CRO, validated by the Management Committee and approved by the Board of Directors. The risk policies are the direct translation of the board's 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 November and December 2020, the Board of Directors reviewed and approved Ethias SA's risk appetite.

5.3. INSURANCE RISKS

Insurance risk management is integrated in the company's management as follows:

1. 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. 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 Actuarial Function and Risk Management participate in the Life and Non-Life Acceptance Bureaus (AB);
2. 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;
3. The actuarial department and the reinsurance department determine the company's reinsurance needs. The treaties are reviewed annually according to the company's underwriting capacities and the requests from production;
4. Tariffs are established by underwriting actuaries and are submitted to the actuarial function for an opinion. The actuarial function also provides independent advice to the Management Committee on the technical profitability of products;
5. The Insurance Reinsurance Committee follows the technical risks of the existing products, analyses the mitigation actions of the technical risks, analyses the modifications to existing products or the proposals for new products and supervises the reinsurance programme. It reports to the Management Committee for validation;
6. Any new product as well as any modification to existing products are analysed beforehand under the following angles: marketing, legal, fiscal, profitability, ALM constraints, compliance... in accordance with the POG procedure (Proof Oversight & Governance).

5.3.1 Financial risks and investment policy

5.3.1.1 Management of financial risks

The management of financial risks is integrated into the management of the company mainly through the implementation of the following activities:

1. Investment administrators must abide by the investment policies, the ethical investment code, the code of conduct. They must manage their positions in compliance with financial constraints and limits and strive towards the strategic asset allocation targeted by the company;
2. The Asset Management department is in charge of the day-to-day management of the investment portfolio. It organizes at least weekly tactical investment management meetings where it is decided what actions to take, on the one hand, within the context of the above-mentioned constraints and, on the other hand, according to the guidelines and decisions emanating from the ALCO;
3. The ALCO has the task of setting out the guidelines for investments and to monitor the portfolios according to the investment policy approved by the Board of Directors;
4. The composition, performance and risks of the portfolios are monitored on a monthly basis through the Investment Dashboard.

5.3.1.2 Investment policy

In 2020, Ethias maintained the fundamental principles enshrined in its investment policy while adapting it to the specific context of COVID-19's impact on the financial markets. As soon as the first impacts of the pandemic appeared on the markets, a reinforced monitoring system was put in place to manage the possible consequences of the pandemic on the portfolio. Particular attention was paid to market risks and their effect on the calculation of Ethias' solvency margin. Despite the impact of the fall in equity markets and the temporary widening of credit spreads, the investment portfolio showed considerable resilience to these shocks. Ethias had invested to a limited extent in the sectors most affected by the crisis and no defaults were recorded in the portfolio. In 2021, we will continue to pay close attention to the future evolution of the pandemic and its consequences on the economy, the markets and our investments.

In order to counter any liquidity risk, Ethias slightly increased its average cash position, particularly when the full impact of the pandemic on insurance and investment activities was still largely unknown. Subsequently, understanding the impacts of the pandemic on Ethias' activities allowed us to resume an investment pace in line with our asset allocation objectives.

In terms of investments, the fall in government bond rates following the massive intervention of central banks led us to favour other asset classes while remaining within the limits set by our investment risk management policy. This development is in line with our long-term investment strategy, which takes into account the increasing probability that the low level of interest rates will persist over the next few years. In this context, we continue to favour a sector-based approach in order to identify investment opportunities that should show greater resilience in a post-pandemic context.

In 2020, we continued to identify the main risks that could have a significant impact on the performance of the investment portfolio. As a result, we have continued or initiated programmes to hedge these risks through the acquisition of derivative hedging contracts or securities that directly incorporate these hedges.

As a responsible investor, Ethias has for many years adopted a rigorous, ethical and transparent approach to the management of its financial assets. In the 2021 version of its ethical investment code, as in 2020, Ethias decided to comply with the exclusion criteria of the "Towards Sustainability" standard, developed at the initiative of Febelfin.

In concrete terms, this ethical code defines a list of direct investments that are prohibited for Ethias. This consists of a blacklist for corporate shares and bonds (655 issuers) and a blacklist for government bonds (90 countries). Beyond these exclusions, Ethias is implementing a positive impact policy to finance the energy transition. Ethias has therefore decided to increase its investments in green bonds and sustainable infrastructure projects.

In December 2020, Ethias took a further step by becoming a signatory of the UN PRI (United Nations Principles for Responsible Investment). This organization, through its principles, is the leading advocate of responsible investment worldwide. At Ethias, socially responsible investments are not new. The company follows a long-term approach and vision, the aim of which is to find solutions for its investments.

In 2021, we intend to further strengthen our investments in sustainable activities, particularly in line with the European action plan («EU Green deal») and the federal and regional recovery plans drawn up in Belgium. The federal government agreement provides for the drafting of a recovery and investment plan, in consultation with the regions, communities and local authorities.

The agreement adds that this stimulus and investment plan «is designed to provide a powerful boost to our economy, help our businesses refill their order books, stimulate job creation and accelerate the transition to a low-carbon economy». The development of this plan is part of the government's desire to mitigate the disastrous consequences of the COVID-19 crisis on our economy, but also to respond to a number of structural challenges facing our country. Within this framework, Ethias will continue its investments with the aim of injecting new optimism and dynamism into a Belgian economy that is suffering enormously from the current health crisis. Ethias' participation in these recovery plans may be carried out through various actions as an investor, business provider or contributor of investment ideas. These actions will be carried out in accordance with our investment policy and asset allocation limits.

5.3.2 ALM risks

A quarterly ALM report allows to diagnose the asset-liability management and the liquidity situation and to propose the necessary corrective measures. This report is analysed by the ALCO committee. The conclusions are presented to the Management Committee which takes, if necessary, the corrective measures required and which determines the specific steering of certain identified risks. A summary report is transmitted to the Board of Directors.

The ALCO Committee's mission is to contribute to the protection of Ethias in its aspects relating to profitability, liquidity and Solvency II positioning. This committee is responsible for validating the strategies regarding ALM, investment, the investment risk and for assuring their follow-up, for validating the strategic asset allocation (SAA), for ensuring the consistency with the Risk Appetite.

5.3.3 Operational risks

With regard to operational risks, Ethias carries out different types of risk assessment, namely:

- operational risk assessment on activities;
- operational risk assessment on projects;
- operational risk assessment on new products;
- operational risk assessment on organizational changes.

In order to focus on the management of information security and cyber risks, a complementary entity has been set up and separated from the Operational Risk Management department.

Business continuity is integrated into the operational risk management with a view to optimization. The process description work in support of the business is integrated into the cell "Continuity".

The CRO is continually improving:

- the procedure for reporting operational incidents of all kinds, with the aim of identifying incidents of structural origin and thus finding structural solutions;
- the information monitoring process allowing to follow-up the threats that the company might face;
- the analysis of complaint statistics.

The Management committee monitors the operational risks (including compliance risks). It analyses and suggests guidelines for mitigation/management measures.

5.3.4 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.

These risks are covered by means of reinsurance treaties and facultative reinsurance contracts for the risks outside the treaties' scope. 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 life/health insurances (occupational accidents and death/disability insurances).

Each year, they are reassessed to meet the needs of production taking into account the reinsurance market and to hedge the capacities required in the frame of Solvency II.

The price of reinsurance capacities was again on a downward trend, given the large capacities available.

There has been little change in reinsurance programmes between 2019 and 2020. On the whole, our reinsurance cost is stable.

6. INFORMATION REGARDING ENVIRONMENTAL AND STAFFING MATTERS

The non-financial statement is set out in a separate report annexed to this report.

7. EVENTS OCCURRING AFTER THE FINANCIAL YEAR WAS CLOSED

The Board of Directors of Ethias SA will propose to the General Assembly of May 2021 the payment of a dividend of 103 million euros as the criteria imposed by the NBB in its circular of January 2021 have been met.

On 5 March 2021, the Board of Directors validated the choice of the Ethias Management Committee, which also took into account the preference of the employees, with regard to the future location of the Liège main office in Coronmeuse, planned for 2024 at the earliest.

The Board of Directors of Ethias SA and the Board of Directors of EthiasCo validated the capital increase of Ethias Services, which is necessary to support the ambitions in terms of ecosystem development and complementary services in favour of our clients.

8. INFORMATION ON CIRCUMSTANCES WHICH MAY SIGNIFICANTLY IMPACT THE COMPANY'S DEVELOPMENT

REGULATORY DEVELOPMENTS - SOLVENCY II

A revision, on a broader scale than previously known, of the parameters used in the calculation of the solvency requirement was envisaged for 2020. The European Insurance and Occupational Pensions Authority (EIOPA) had launched a consultation with stakeholders in the course of 2019 in order to identify the adjustments to be made in the calibration of the SCR in standard formula. These proposals aim at adapting the Solvency II regime to the market developments and to incorporate the practical experience gained during the first years of its application. The transposition of these measures into regulations has been postponed.

Nevertheless, in order to best anticipate the impact of future regulatory changes on our ratio, Ethias participates in the working group of the Professional Union of Belgian Insurance Companies (Assuralia). In addition, Ethias carefully analyses the European Commission's proposals in order to assess the financial and organizational impacts.

9. RESEARCH & DEVELOPMENT

9.1 INNOVATION AND PRODUCT DEVELOPMENT

Flora



In September 2020, Ethias launched Flora, the first 100% digital insurtech in Belgium. Flora markets a tenant insurance through its app and aims to launch other products in 2021. Flora is positioned as a complementary distribution channel for Ethias, targeting mainly the market of millennials.

Development of products and services

Ethias is clearly committed to an innovation dynamic, whether in terms of products or services, in order to best meet the needs of its clients and the general public. In addition to Flora (mentioned above), Ethias has also developed several innovations by capitalizing on the complementary nature of its skills within its IT subsidiary NRB and its subsidiary IMA Benelux specialized in assistance services:

- App4You: a digital platform for solidarity among citizens, available free of charge to everyone;
- Care4You: a platform that is made available free of charge to health care professionals and that responds to the new habits adopted by patients (during the first phase of the health crisis, doctors gave more than 3 million telephone consultations). Thanks to videoconferencing, the tool provides the opportunity to make appointments and manage consultations remotely with the patient. The platform is fully secured through identification via itsme. It is accessible on smartphone, tablet and computer;

- Let's Talk: a psychological assistance service offered free of charge to students and self-employed insured with Ethias;
- Medappcare: an app enabling citizens to find their way around the many applications available for health matters;
- In the case of Assistance claims: a geolocation service for both the beneficiary and the service provider (breakdown service, towing service, etc.) as well as a claims reporting webform that avoids the need to wait on the phone;
- Home Services by Ethias: a digital platform that enables users (Ethias clients and non-clients) to order services for making small repairs or doing work in their house (various services relating to heating, locksmithing, sanitary fittings and plumbing, electricity, woodwork ...);
- A certain number of «e-capabilities» (digital invoicing, electronic signature, digital documents, ...).

Data Technology investments

Ethias has also acquired specific tools such as Data Visualisation, Data Catalogue and Data Quality and has embarked on developments aimed at centralizing data in a single, governed environment to support the company's strategic data ambitions.

9.2 TECHNOLOGICAL DEVELOPMENTS

Ethias continues to strengthen its position as the n° 1 Direct insurer, the n° 1 Digital insurer and the n° 1 insurer for Public Bodies. In this context, we are pursuing our IT transformation programmes:

- Ethias' IT services are reinforced by a centralization at group level at our subsidiary NRB, with a new multi-year contract that allows us to establish a long-term vision with control of IT expenses while maintaining ambitious investments to support our strategic vision. An 'agile' approach is being launched to increase our overall agility;
- Following the transformation of the car claims management applications, the "Century" programme conducted a review of the home claims management applications;
- The "Digital" programme, which aims to offer Ethias' clients online services and innovative applications, has resulted in the creation of a new and modernized "Client Zone" that can be accessed via mobile platforms. At the same time, the use of the itsme (digital ID) platform facilitates access and reinforces the security of our digital applications;
- A reflection process has been launched on openness and possible partnerships with the implementation of standardized IT interfaces (Open Insurance);
- In order to gain agility and responsiveness to the needs of our markets, we have started a programme to modernize all existing legacy applications using Agile methodologies;
- Ethias has deployed an action plan on data management, focusing on data quality, data governance and data exploitation to create value for our clients.

Through our innovation initiatives, Ethias also follows the latest technological developments in the market, with Flora as a flagship achievement.

Certain developments have been the subject of deductions in the context of tax incentive measures for research and development.

10. GOVERNANCE³

10.1 COMPOSITION

10.1.1 The Management Committee

Name	Function
Philippe Lallemand	Chairman – Chief Executive Officer
Benoît Verwilghen	Vice-President – Chief Operating Officer Life
Cécile Flandre	Member – Chief Financial Officer
Luc Kranzen	Member – Chief Operating Officer Non-Life
Wilfried Neven ⁴	Member – Chief Digital Transformation Officer
Brigitte Buyle ⁵	Member – Chief Information Officer
Benoit-Laurent Yerna	Member – Chief Risk Officer

³ Situation as of 31/12/2020

⁴ As from 21/02/2020

⁵ Until 19/02/2020

10.1.2 The Board of Directors

Name	Function
Myriam Van Varenbergh	Chair
Jacques Braggaar	Director
Marc Descheemaecker	Director
Kathleen Desmedt	Director
Philippe Donnay	(Independent) Director
Olivier Henin	Director
Ingrid Loos	(Independent) Director
Marc Meurant	Director
Philip Neyt	Director
Anne-Marie Seeuws	(Independent) Director
Karl Van Borm	Director
Bruno van Lierde	(Independent) Director
Philippe Lallemand	Director
Benoît Verwilghen	Director
Cécile Flandre	Director
Benoît-Laurent Yerna	Director

10.1.3 The Audit and Risk Committee

Name	Function
Bruno van Lierde	Chairman
Marc Descheemaecker	Member
Philippe Donnay	Member
Ingrid Loos	Member
Marc Meurant	Member

10.1.4 The Appointments and Remuneration Committee

Name	Function
Myriam Van Varenbergh	Chair
Jacques Braggaar	Member
Olivier Henin	Member
Anne-Marie Seeuws	Member

10.1.5 The Statutory Auditor

PwC – Réviseurs d'entreprises SRL

Woluwe Garden, Woluwedal 18 – B-1932 Sint-Stevens-Woluwe

Represented by T. Meuleman, Accredited Auditor A01894 - Appointed for fiscal years 2020, 2021 and 2022.

10.2 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 Ingrid Loos, Marc Descheemaeker, Philippe Donnay and Marc Meurant.

M. 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, organization, major change and performance improvement programmes. He is chairman of the Board of Directors of Buy Way, Sopartec, Inventures II, Tempora, Europe Hospitals and SOS Children's Villages (Belgium). He is also a board member of NRB and Vives IUF and Chairman of Univercells' Strategy Committee. He is Professor of Strategy at the Solvay Brussels School of Economics and Management. M. van Lierde also meets the independence criteria set out in paragraph 3.5. of the Belgian Corporate Governance Code.

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 meets the independence criteria set out in paragraph 3.5. of the Belgian Corporate Governance Code.

M. Descheemaeker has a degree in applied economics and a post-graduate degree in European Economic Studies. He was managing director of the SNCB, executive vice-president of the ISS group, managing director of ISS Belgium and director of Vitrufin (liquidated on 25/10/2019). He is currently chairman of the Board of Directors of Brussels Airport Company and De Lijn, and director of the EIB, the EIF, GIMV and the SNCB, where he is also chairman of the Audit Committee.

Mr. Donnay holds a licentiate and a master's degree in economics. After having been a macro-economist at Banque Degroof Luxembourg, Chief Economist at the FEB and Chief of Staff - General and Strategic Policy Units of the Deputy Prime Minister and Minister of Employment and Equal Opportunities and the Deputy Prime Minister and Minister for the Interior and Equal Opportunities, he is currently Plan Commissioner at the Federal Planning Bureau (FPB). He is also an independent director of Reacfin, director of the National Accounts Institute, of AWEX (and chairman of the Audit Committee), member of the High Council of Employment, the High Council of Finance (sections "taxation" and "parafiscal levies"), the Study Committee on Ageing and chairman of the Scientific Committee for the Economic Budget. He was also a director of Vitrufin (liquidated on 25/10/2019). He meets the independence criteria set out in paragraph 3.5. of the Belgian Corporate Governance Code.

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, Smartplan 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.

10.3 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, Chair of the Board of Directors, and is also composed of Anne-Marie Seeuws, Jacques Braggaar and Olivier Henin.

Ms. Van Varenbergh holds a law degree, a specialization in tax law and an additional degree in corporate law, as well as a degree in forensic science. She also briefly followed studies in the United States. Ms. Van Varenbergh has been a Board member of Vandenbussche 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, etc. She was also a board member / member of the Executive Committee of Vitrufin.

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 meets the independence criteria set out in paragraph 3.5. of the Belgian Corporate Governance Code.

Mr. Braggaar holds a bachelor's degree in law and master's degree in criminology. He held the position of Head of HR-Budget in various ministerial offices. He was Deputy Secretary General, member of the French-speaking and National Executive Committee of UNMS, where he was in charge of human resources management of the Directorate-General, and director of several non-profit associations linked to mutual organizations. He was also a director and member of Sowaer's Nomination and Remuneration Committee. He is currently Secretary General of the Socialist Party. He is a director of Solidaris and Government Commissioner for Wallimage SA and Wallimage Entreprises. 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 and CFO of the SNCB/NMBS. He is currently chairman of the Board of Fedimmo, vice-chairman of SFPI, CFO of Sabena Aerospace and Blueberry and director of Brussels Airport Company. Mr. Henin is also chairman of the Board of Directors of EthiasCo.

10.4. CONFLICTS OF INTERESTS

If a director has directly or indirectly a conflicting interest of a financial nature in 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.

(1) At its meeting on January 29, 2020, the Board of Directors analysed the 2020 objectives for the members of the Management Committee.

The members of the Management Committee abstained from taking part in the deliberation 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 2020 objectives for the members of the Management Committee, which intervene in the payment of their 2021 variable remuneration.

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

"... The chair then presents the 2020 objectives for the members of the Management Committee using the documentation that was available on Skope and will remain attached to the minutes.

(...)

In view of the above remark, the chair invites the directors to send any suggestions concerning the integration of qualitative objectives in the proposal, which has been commented on today, to the Appointments and Remuneration Committee in writing before its meeting on February 6.

The Board of Directors will then re-examine this item at its meeting on February 19, 2020. (...)"

(2) At its meeting on February 19, 2020, the Board of Directors set the 2020 objectives for the members of the Management Committee.

The members of the Management Committee 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 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 2020 objectives for the members of the Management Committee, which intervene in the payment of their 2021 variable remuneration.

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

"... The chair then presents a new proposal regarding the definition of the 2020 objectives for the members of the Management Committee, using the documentation that was available on Skope and will remain attached to the minutes.

(...)

The Board of Directors agrees with the proposals made. However, B. van Lierde encourages the Appointments and Remuneration Committee to examine how to increase the variable incentive for the members of the Management Committee in the future.

In order to meet the requirements of Article 7:115 of the new Code on Companies and Associations, the Board of Directors notes that the decision to set the 2020 objectives for the members of the Management Committee, which intervene in the payment of their 2021 variable remuneration, has an impact of a patrimonial nature for them and for the company. The Board of Directors justifies the decision taken by the interest of the company. (...)”

(3) At its meeting on April 29, 2020, the Board of Directors assessed the achievement of the 2019 objectives for the members of the Management Committee.

The members of the Management Committee 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 Code on Companies and Associations, an opposite interest of a financial nature in the decision that the Board of Directors was likely to take, viz. the awarding of a variable remuneration based on the achievement of their 2019 objectives.

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

«... The chair gives the floor to J. Balistreri to comment on the achievement of the objectives for the members of the Management Committee for the year 2019. The documents supporting this presentation were available on Skope and will remain attached to the minutes.

(...)

At the end of these discussions, the Board of Directors decides to follow the recommendation of the Appointments and Remuneration Committee and to grant the members of the Management Committee the variable remuneration as presented. It also takes note of the Management Committee’s wish to postpone the actual payment of this remuneration, which would be made no earlier than October 1, 2020.

In order to meet the requirements of Article 7:115 of the Code on Companies and Associations, the Board of Directors notes that the decision it has taken to grant a variable remuneration as proposed to the members of the Management Committee has an impact of a patrimonial nature for them and 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 2019. (...)”

As for the members of the Management 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 Code on Companies and Associations.

10.5 EXTERNAL OFFICES EXERCISED BY THE LEADERS OF ETHIAS SA

In accordance with the CBFA circular PPB-2006-13-CPB-CPA on the exercise of external functions by the leaders of insurance companies, we publish a list with the external offices exercised by the directors and the members of the Management Committee of Ethias SA in other companies than those with which Ethias SA establishes a close relationship.

Are not included in the list of external offices exercised in collective investment undertakings: asset-holding companies and so-called «management companies».

Directors of Ethias SA

Name	Company	Registered office	Field of activity	Office exercised
Braggaar Jacques	Mutualité Solidaris Mons-Wallonie picarde	Rue du Fort 48 7800 Ath	Health insurance fund	Director
	Wallimage	Rue du 11 Novembre 6 7000 Mons	Investments	Walloon Government Commissioner
	Wallimage Entreprises	Avenue Maurice Destenay 13 4000 Liege	Investments	Walloon Government Commissioner
Descheemaecker Marc	European Investment Bank	98-100 Boulevard Konrad Adenauer L-2950 Luxembourg	Investments and credits	Director
	Brussels Airport Company	Boulevard Reyers 80 1030 Brussels	Airport management	Chairman of the Board of Directors
	De Lijn	Motstraat 20 2800 Mechelen	Public transport	Chairman of the Board of Directors
	European Investment Fund	37b Avenue J.F. Kennedy L-2968 Luxembourg	Investments and credits	Director
	GIMV (listed bonds and stocks)	Karel Oomsstraat 37 2018 Antwerp	Investments	Director
	NMBS/SNCB	Rue de France 56 1060 Brussels	Railway transport	Director
Donnay Philippe	Walloon Agency for Export and Foreign Investment (AWEX)	Place Saintelette 2 1080 Brussels	Development and management of economic relations	Director
	Federal Planning Bureau	Rue Belliard 14-18 1040 Brussels	Production of economic studies and forecasts	Planning Commissioner
	National Accounts Institute	Rue du Progrès 50 1210 Brussels	Production of statistics, analyses and economic forecasts	Director
	Reacfin	Place de l'Université 25 1348 Louvain-la-Neuve	Actuarial, financial and risk consultancy	Independent director
Henin Olivier	Blueberry	Avenue E. Mounier 2 1200 Brussels	Financial holding	CFO
	Brussels Airport Company	Boulevard Reyers 80 1030 Brussels	Airport management	Director
	Fedimmo	Chaussée de Wavre 1945 1160 Brussels	Property management	Chairman of the Board of Directors
	Sabena Aerospace	Avenue E. Mounier 2 1200 Brussels	Aeronautical and space maintenance	CFO
	Federal Shareholding and Investment company	Avenue Louise 54/1 1050 Brussels	Financial holding	Vice-Chairman of the Board of Directors
Loos Ingrid	Universiteit Antwerpen	Prinsstraat 13 2000 Antwerp	Education	Director
Meurant Marc	AMIFOR	Boulevard Bischoffsheim 1-8 Bte 3 1000 Brussels	Insurance	Chairman of the Board of Directors
	Bessonnat	Rue Jean Piret 1B L-2350 Luxembourg	Financial holding	Chairman of the Board of Directors
	CPH Life	Rue Perdue 7 7500 Tournai	Insurance	Director
	M.M.H.	Boulevard A. de Fontaine 15 6000 Charleroi	Insurance	Executive Director
	Scottish Widows Europe	Avenue du Bois 1 L-1251 Luxembourg	Insurance	Director
	SmartPlan	Rue de Linthout 120 1040 Brussels	Insurance intermediation and brokerage	Chairman of the Board of Directors

Neyt Philip	Curalia	Rue Archimède 61 1000 Brussels	Insurance	Director
	Ghelamco Invest (listed bonds)	Zwaanhofweg 10 8900 Leper	Real estate investments	Director
Van Lierde Bruno	Buy Way	Rue de l'Evêque 26 1000 Brussels	Credits	Chairman of the Board of Directors
	Cliniques de l'Europe	Avenue Defré 2016 1180 Brussels	Hospitals	Chairman of the Board of Directors
	Sopartec	Place de l'université 1 1348 Louvain-la-Neuve	Investments	Chairman of the Board of Directors
	Tempora	Rue des Anciens Etangs 44-46 1170 Brussels	Design and management of exhibitions and cultural sites	Chairman of the Board of Directors
	Univercells	Rue Auguste Piccard 48 6041 Charleroi	Pharmaceuticals	Chairman of the Strategy Committee
	VIVES IUF	Place de l'université 1 1348 Louvain-la-Neuve	Investments	Director
Van Varenbergh Myriam	Vandenbussche	Groendreef 21 9880 Aalter	Construction and real estate development	Director

Effective leaders of Ethias SA

Name	Company	Registered office	Field of activity	Office exercised
Flandre Cécile	Elia Asset	Boulevard de l'Empereur 20 1000 Brussels	Electricity transmission	Director
	Elia Groupe (listed bonds and stocks)	Boulevard de l'Empereur 20 1000 Brussels	Electricity transmission	Director
	Elia Transmission Belgium SA	Boulevard de l'Empereur 20 1000 Brussels	Electricity transmission	Director
Lallemand Philippe	Assuralia	Square de Meeûs 29 1000 Brussels	Insurance	Member of the Executive Committee and Director
	Safran Aero Boosters	Route de Liers 121 4041 Herstal	Aircraft and space construction	Director
Neven Wilfried	Xior Student Housing (listed equities)	Mechelsesteenweg 34 2018 Antwerp	Real estate	Independent director
Verwilghen Benoît	Fin.Co	Duboisstraat 48 2060 Antwerp	Investments	Director

11. 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	20,000.00	27,500.00	19
Jacques Braggaar	Non-executive director	26,937.76	9,500.00	19
Marc Descheemaecker	Non-executive director	26,000.00	12,500.00	26
Kathleen Desmedt	Non-executive director	18,425.45	7,500.00	12
Philippe Donnay	Non-executive director	29,000.00	12,500.00	28
Olivier Henin	Non-executive director	27,340.94	9,500.00	20
Ingrid Loos	Non-executive director	36,302.50	12,500.00	28
Marc Meurant	Non-executive director	38,067.25	12,500.00	28
Philip Neyt	Non-executive director	14,000.00	7,500.00	12
Anne-Marie Seeuws	Non-executive director	24,544.52	9,500.00	20
Karl Van Borm (*)	Non-executive director	14,000.00	7,500.00	12
Bruno van Lierde	Non-executive director	28,000.00	22,500.00	28
Philippe Lallemand (**)	CEO			33
Benoît Verwilghen (**)	Vice-CEO/CCO			24
Cécile Flandre (**)	CFO			24
Benoit-Laurent Yerna (**)	CRO			26

(*) paid to the City of Antwerp

(**) pursuant to article 11 of the bylaws, 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	5,000.00	12,500.00	10
Brigitte Buyle	Non-executive director	-	833.33	0
Cécile Flandre	Non-executive director	2,500.00	3,750.00	5

(***) 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)
Myriam Van Varenbergh	Non-executive director	2,500.00	5,000.00	5
Bruno van Lierde	Non-executive director	4,500.00	6,250.00	9

Name of the member of the executive committee	Function	Gross remuneration (*)	Gross variable remuneration (*)
Philippe Lallemand	CEO	433.595,17	70.125,00
Benoît Verwilghen	Vice-CEO/CCO	361.936,57	47.689,00
Brigitte Buyle	CDTO (Until 19 February 2020)	48.272,44	685.000,00
Cécile Flandre	CFO	290.277,85	46.750,00
Luc Kranzen	CSO	290.277,85	39.298,00
Wilfried Neven	CDTO (as from February 19, 2020)	249.495,97	0,00
Benoit-Laurent Yerna	CRO	290.277,85	67.478,00

(*) Does not include other benefits.

12. DETAILS OF BALANCE SHEET AND INCOME STATEMENT ITEMS

12.1 BALANCE SHEET

12.1.1 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: regroups 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 2020 but will be collected in 2021.

12.1.2 Liabilities

HEADING E. PROVISIONS FOR OTHER RISKS AND EXPENSES

- III. Other provisions: these are mainly provisions for disputes and for the end-of-career plan.

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 repo 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.

12.2. INCOME STATEMENTS

12.2.1 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 recognized 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.

12.2.2 Non-technical account

HEADING 7: OTHER INCOME

This item mainly includes reversals of impairment and brokerage revenues.

HEADING 8: OTHER EXPENSES

These are mainly losses on disposal and impairments on receivables, the change in the provision for the end-of-career plan and provisions for other risks and expenses.

13. BALANCE, INCOME STATEMENT AND NOTES

13.1 BALANCE SHEET

Assets	2020	2019
B. INTANGIBLE ASSETS	113,309,350	123,225,660
I. Formation expenses	10,337	518,769
II. Intangible assets	113,299,013	122,706,891
1. Goodwill	39,308,695	45,300,264
2. Other intangible assets	66,688,371	41,793,417
3. Advance payments	7,301,947	35,613,209
C. INVESTMENTS	15,347,455,382	14,719,182,423
I. Land and properties	204,542,669	210,882,267
1. Real estate for corporate purposes	56,139,658	60,623,562
2. Others	148,403,011	150,258,705
II. Investments in associated companies and participations	426,095,785	394,665,787
- Associated companies	372,286,261	342,528,728
1. Participating interests	372,286,261	342,528,728
2. Certificates, bonds and receivables	0	0
- Other companies linked by a participating interest	53,809,524	52,137,058
3. Participating interests	39,397,591	36,152,520
4. Certificates, bonds and receivables	14,411,933	15,984,538
III. Other financial investments	14,712,928,293	14,109,496,807
1. Equities, shares and other variable-income securities	645,417,350	468,499,550
2. Bonds and other fixed-income securities	13,264,262,157	12,987,729,288
4. Mortgage loans and mortgage credits	360,478,259	349,267,510
5. Other loans	441,611,865	301,474,964
6. Deposits with credit institutions	1,118,050	2,349,216
7. Others	40,612	176,279
IV. Deposits with ceding companies	3,888,635	4,137,563
D. INVESTMENTS RELATED TO OPERATIONS LINKED TO A "LIFE" BUSINESS INVESTMENT FUND WHOSE INVESTMENT RISK IS NOT BORNE BY THE COMPANY	1,491,140,460	1,394,250,497
DBIS. REINSURERS' SHARE OF TECHNICAL PROVISIONS	157,602,458	157,350,426
I. Provision for unearned premiums and outstanding risks	477,596	505,085
II. Provision for Life insurance	1,311,168	1,826,437
III. Provision for claims to be paid	155,813,693	155,018,904
E. RECEIVABLES	426,194,548	415,475,622
I. Receivables arising from direct insurance operations	215,891,988	222,587,052
1. Policyholders	102,200,937	108,647,491
2. Insurance intermediaries	28,075,401	26,221,880
3. Others	85,615,650	87,717,682
II. Receivables arising from reinsurance operations	124,131,886	110,833,241
III. Other receivables	86,170,675	82,055,328
F. OTHER ASSET ITEMS	501,047,885	377,563,716
I. Tangible assets	21,254,973	24,138,093
II. Available values	479,792,911	353,425,623
G. ACCRUALS	187,516,414	195,518,892
I. Interest and rent earned but not yet due	187,516,414	195,518,892
Total assets	18,224,266,496	17,382,567,236

Liabilities	2020	2019
A. EQUITY	1,461,309,676	1,359,668,064
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	19,731,395	20,249,570
IV. Reserves	67,399,565	54,902,951
1. Statutory reserve	54,650,000	44,450,000
3. Untaxed reserves	10,964,784	9,186,345
4. Available reserves	1,784,781	1,266,605
V. Result carried forward	374,178,717	284,515,543
1. Profit carried forward	374,178,717	284,515,543
B. SUBORDINATED DEBTS	471,508,397	468,346,270
BBIS FUNDS FOR FUTURE APPROPRIATIONS	18,378,650	6,378,650
C. TECHNICAL PROVISIONS	13,515,881,835	13,403,480,294
I. Provisions for unearned premiums and outstanding risks	296,446,682	292,976,236
II. Provision for Life insurance	9,446,282,976	9,373,511,011
III. Provision for claims to be paid	3,502,651,601	3,458,849,415
IV. Provision for profit sharing and refunds	40,132,859	53,685,412
V. Equalization and catastrophe provision	24,622,014	18,559,358
VI. C. Other technical provisions	205,745,703	205,898,863
D. TECHNICAL PROVISIONS RELATED TO OPERATIONS LINKED TO A LIFE BUSINESS INVESTMENT FUND WHOSE INVESTMENT RISK IS NOT BORNE BY THE COMPANY	1,491,140,460	1,394,250,497
E. PROVISIONS FOR OTHER RISKS AND COSTS	64,691,130	80,762,702
I. Provisions for pensions and similar liabilities	55,592	449,532
II. Provisions for taxes	3,514,901	3,591,832
III. Other provisions	61,120,637	76,721,338
F. DEPOSITS RECEIVED FROM REINSURERS	126,814,641	120,082,410
G. DEBTS	1,055,651,550	529,002,268
I. Liabilities arising from direct insurance operations	152,084,056	166,256,943
II. Reinsurance payables	6,459,894	7,839,342
IV. Debts owed to credit institutions	624,180,419	181,430,318
V. Other debts	272,927,182	173,475,665
1. Amounts payable for taxes, remuneration and social security	60,868,284	57,594,343
a) taxes	21,083,475	19,758,243
b) remunerations and social security costs	39,784,809	37,836,100
2. Others	212,058,898	115,881,322
H. ACCRUALS	18,890,156	20,596,082
Total liabilities	18,224,266,496	17,382,567,236

13.2. INCOME STATEMENT

I. Technical account Non-Life	2020	2019
1. EARNED PREMIUMS, NET OF REINSURANCE	1,340,683,654	1,379,973,398
a) Gross premiums	1,382,016,259	1,419,125,303
b) Outgoing reinsurance premiums (-)	-37,834,669	-37,450,111
c) Change in the provision for unearned premiums and outstanding risks, gross of reinsurance (increase -, decrease +)	-3,470,447	-1,610,454
d) Change in the provision for unearned premiums and outstanding risks, reinsurers' share (increase +, decrease -)	-27,4894	-91,339
2BIS. INVESTMENT INCOME	122,269,534	143,046,427
a) Income of investments in associates or companies linked by a participating interest	1,824,458	7,555,391
aa) associates	366,562	6,601,384
1° share interests	366,562	6,192,303
2° certificates, bonds and receivables	0	409,081
bb) other companies linked by a participating interest	1,457,896	954,007
1° share interests	1,002,481	919,074
2° certificates, bonds and receivables	455,415	34,933
b) Income from other investments	97,002,856	94,276,871
aa) income from land and properties	1,396,718	119,849
bb) income from other investments	95,606,138	94,157,023
c) Write-back of value adjustments on investments	12,546,181	16,888,379
d) Gains on disposal	10,896,039	24,325,785
3. OTHER TECHNICAL INCOME, NET OF REINSURANCE	1,284,499	1,982,173
4. CLAIMS COSTS, NET OF REINSURANCE (-)	-975,400,745	-1,081,283,152
a) Net amounts paid	930,331,378	1,008,721,954
aa) gross amounts	948,960,637	1,020,977,989
bb) reinsurers' share (-)	-18,629,259	-12,256,035
b) Change in provision for claims to be paid, net of reinsurance (increase +, decrease -)	45,069,367	72,561,197
aa) change in provision for claims to be paid, gross of reinsurance (increase +, decrease -)	45,864,156	87,639,127
bb) change in provision for claims to be paid, reinsurers' share (increase -, decrease +)	-794,789	-15,077,930
5. CHANGE IN THE OTHER TECHNICAL PROVISIONS, NET OF REINSURANCE (INCREASE -, DECREASE +)	153,160	238,858
6. PROFIT SHARING AND REFUNDS, NET OF REINSURANCE (-)	-3,325,068	-6,800,396
7. NET OPERATING COSTS (-)	-251,178,968	-263,164,140
a) Acquisition costs	115,234,158	129,116,210
c) Administrative costs	139,773,256	136,431,126
d) Commissions received from the reinsurers and share interests (-)	-3,828,446	-2,383,195
7BIS. INVESTMENT-RELATED COSTS (-)	-22,899,542	-33,549,721
a) Investment management costs	3,407,128	4,051,135
b) Value adjustments on investments	5,995,464	22,167,811
c) Losses on disposal	13,496,949	7,330,776
8. OTHER TECHNICAL COSTS, NET OF REINSURANCE (-)	-38,191,171	-29,802,986
9. CHANGE IN PROVISION FOR EQUALIZATION AND CATASTROPHE, NET OF REINSURANCE (INCREASE -, DECREASE +)	-6,062,656	4,943,338
10. RESULT OF THE NON-LIFE TECHNICAL ACCOUNT		
Profit (+)	167,332,696	115,583,799

II. Life technical account	2020	2019
1. PREMIUMS, NET OF REINSURANCE	1,346,259,820	1,248,494,239
a) Gross premiums	1,347,765,477	1,251,382,348
b) Outgoing reinsurance premiums (-)	-1,505,657	-2,888,109
2. INVESTMENT INCOME	340,185,593	373,761,054
a) Income of investments in associates or companies linked by a participating interest	11,955,527	9,780,629
aa) associates	10,905,306	9,013,215
1° share interests	10,905,306	8,732,116
2° certificates, bonds and receivables	0	281,098
bb) other companies linked by a participating interest	1,050,221	767,414
1° share interests	722,021	742,239
2° certificates, bonds and receivables	328,200	25,175
b) Income from other investments	272,568,792	283,279,966
aa) income from land and properties	11,480,682	14,371,861
bb) income from other investments	261,088,110	268,908,105
c) Write-back of value adjustments on investments	10,660,415	24,575,143
d) Gains on disposal	45,000,859	56,125,317
3. VALUE ADJUSTMENTS ON INVESTMENTS OF THE ASSETS SIDE D. (INCOME)	245,849,862	205,396,365
4. OTHER TECHNICAL INCOME, NET OF REINSURANCE	4,109,126	3,601,623
5. CLAIMS COSTS, NET OF REINSURANCE (-)	-1,400,581,882	-1,358,086,097
a) Net amounts paid	1,400,581,882	1,358,086,097
aa) gross amounts	1,401,955,004	1,359,339,365
bb) reinsurers' share (-)	-1,373,123	-1,253,269
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 -)	-162,024,920	-233,313,567
a) Change in provision for Life insurance, net of reinsurance (increase -, decrease +)	-109,778,960	-92,432,938
aa) change in provision for Life insurance, gross of reinsurance (increase -, decrease +)	-109,263,691	-92,192,309
bb) change in provision for Life insurance, reinsurers' share (increase +, decrease -)	-515,269	-240,629
b) Change in the other technical provisions, net of reinsurance	-52,245,960	-140,880,628
7. PROFIT SHARING AND REFUNDS, NET OF REINSURANCE (-)	13,552,553	-9,666,497
8. NET OPERATING COSTS (-)	-33,780,002	-28,906,773
a) Acquisition costs	6,606,981	8,092,276
c) Administrative costs	27,061,130	21,471,416
d) Commissions received from the reinsurers and share interests (-)	111,891	-656,919
9. INVESTMENT-RELATED COSTS (-)	-60,123,456	-46,277,330
a) Investment management costs	15,022,130	13,249,418
b) Value adjustments on investments	16,810,015	15,846,297
c) Losses on disposal	28,291,312	17,181,615
10. VALUE ADJUSTMENTS ON INVESTMENTS OF THE ASSETS SIDE D. (COSTS) (-)	-194,139,689	-53,989,258
11. OTHER TECHNICAL COSTS, NET OF REINSURANCE (-)	-6,277,033	1,786,155
12BIS. CHANGE IN FUND FOR FUTURE APPROPRIATIONS (INCREASE -, REDUCTION +)	-12,000,000	0
13. RESULT OF THE LIFE TECHNICAL ACCOUNT		
Profit (+)	81,029,972	102,799,915

III. Non-technical account	2020	2019
1. RESULT OF THE NON-LIFE TECHNICAL ACCOUNT		
Profit (+)	167,332,696	115,583,799
2. RESULT OF THE LIFE TECHNICAL ACCOUNT		
Profit (+)	81,029,972	102,799,915
3. INVESTMENT INCOME	11,577,673	8,862,181
a) Income from investments in associated companies or companies linked by a participating interest	6,838,830	0
b) Income from other investments	4,570,491	8,230,934
bb) income from other investments	4,570,491	8,230,934
c) Write-back of value adjustments on investments	121,572	498,035
d) Gains on disposal	46,780	133,212
5. INVESTMENT-RELATED COSTS (-)	-26,344,232	-26,569,454
a) Investment management costs	26,016,530	25,813,849
b) Value adjustments on investments	0	146,172
c) Losses on disposal	327,702	609,433
7. OTHER INCOME	11,142,081	12,390,538
8. OTHER COSTS (-)	-21,873,508	-13,948,201
8BIS. CURRENT RESULT BEFORE TAXES		
Profit (+)	222,864,682	199,118,779
15. INCOME TAXES (-/+)	-18,300,000	-9,009,049
15BIS. DEFERRED TAXES (-/+)	76,931	72,779
16. RESULT OF THE FINANCIAL YEAR		
Profit (+)	204,641,613	190,182,509
17. A) WITHDRAWAL FROM THE UNTAXED RESERVES	197,735	186,909
B) TRANSFER TO THE UNTAXED RESERVES (-)	-1,976,174	-847,250
18. RESULT FOR THE PERIOD TO BE APPROPRIATED		
Profit (+)	202,863,174	189,522,168

Appropriation and withdrawal	2020	2019
A. PROFIT TO BE APPROPRIATED	487,378,716	294,215,542
1. Profit for the period available for appropriation	202,863,174	189,522,168
2. Profit carried forward from the previous period	284,515,542	104,693,374
B. CHARGE TO SHAREHOLDERS' EQUITY	0	0
2. To reserves	0	0
C. TRANSFERS TO EQUITY (-)	-10,200,000	-9,700,000
2. To the statutory reserve	-10,200,000	-9,700,000
D. RESULT TO BE CARRIED FORWARD		
1. Profit to be carried forward (-)	-374,178,716	-284,515,542
F. PROFIT TO BE DISTRIBUTED (-)	-103,000,000	0
1. Remuneration of capital	103,000,000	0

13.3 NOTES

Nº1. 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	232,343,096	281,895,841	277,318,774	0
Changes during the year:				0
• Acquisitions	16,075,127	28,279,995	58,928,805	0
• Disposals and withdrawals	16,584,498	38,923,861	32,089,694	0
• Reclassified between headings	-	-	-	0
• Other changes	-	-	-	0
Year end	231,833,725	271,251,975	304,157,885	0
b) INCREASE IN VALUE				
Previous year end	0	25,053,339	72,345,152	0
Changes during the year:				
• Decided	0	0	0	0
• Cancelled	0	0	0	0
• Reclassified between headings	0	0	0	0
Year end	0	25,053,339	72,345,152	0
c) REDUCTIONS IN VALUE				
Previous year end				
Changes during the year:	109,117,438	96,066,913	7,135,198	0
• Decided				
• Written back as excessive	25,991,435	8,557,283	675,105	0
• Cancelled	0	0	0	0
• Transfers from one heading to another	16,584,498	12,861,550	3,593,527	0
Year end	0	0	0	0
	118,524,375	91,762,645	4,216,775	0
d) AMOUNTS NOT CALLED UP				
Previous year end				
Changes during the year:	0	0	0	0
Year end	0	0	0	0
	0	0	0	0
NET BOOK VALUE, YEAR END	113,309,350	204,542,668	372,286,261	0

Name	Asset items concerned			
	C.II.3. Stakes in companies linked by a participa- ting 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	47,348,293	15,984,538	478,225,746	13,108,565,746
Changes during the year:				
• Acquisitions	9,534,856	0	364,739,046	2,533,888,144
• Disposals and withdrawals	54,804	1,572,605	183,891,741	2,105,957,264
• Reclassified between headings	0	0	0	0
• Other changes	0	0	0	0
Year end	56,828,346	14,411,933	659,073,051	13,536,496,627
b) INCREASE IN VALUE				
Previous year end	0	0	0	0
Changes during the year:				
• Decided	0	0	0	0
• Cancelled	0	0	0	0
Year end	0	0	0	0
c) REDUCTIONS IN VALUE				
Previous year end	10,748,221	0	7,311,446	120,836,458
Changes during the year:				
• Decided	0	0	87,157,994	101,516,254
• Written back as excessive	0	0	319,227	879,003
• Cancelled	0	0	2,840,512	50,760,760
• Transfers from one heading to another	0	0	0	0
Year end	10,748,221	0	11,309,701	272,234,469
d) AMOUNTS NOT CALLED UP				
Previous year end	447,552	0	2,414,750	0
Changes during the year:	6,234,983	0	-68,750	0
Year end	6,682,534	0	2,346,000	0
NET BOOK VALUE, YEAR END	39,397,591	14,411,933	645,417,350	13,264,262,157

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	110,925	51	0	31-12-19	EUR	8,057	293
Ankaret Invest SA Rue des Croisiers, 24 B-4000 Liège BE 0438.840.866	2,368,879	100	0	31-12-19	EUR	18,085	316
Archeion SA Rue des Croisiers, 24 B-4000 Liège BE 0832.269.896	28,410	100	0	31-12-19	EUR	2,160	111
Ariane Building SA Place Saint-Jacques, 11/104 B-4000 Liège BE 0862.467.382	8,050	25	0	31-12-19	EUR	5,405	1,588
Ariane Real Estate SA Rue des Croisiers, 24 B-4000 Liège BE 0898.866.435	200	100	0	31-12-19	EUR	8,416	29
Assurcard NV Fonteinstraat, 1A/301 B-3000 Leuven BE 0475.433.127	900	20	0	31-12-19	EUR	3,021	85
Bedrijvencentrum Regio Geraardsbergen Herenveld, 2 B-9500 Geraardsbergen BE 0456.832.584	32	27	0	31-12-19	EUR	859	4
Bora SA Rue des Croisiers, 24 B-4000 Liège BE 0444.533.281	484	100	0	31-12-19	EUR	6,007	96
Centrexperits Avenue Franklin/Roosevelt, 104/1 B-1330 Rixensart BE 0463.891.315	80	10	0	31-12-19	EUR	154	67
De Oostendse Haard ASBL Nieuwpoortsesteenweg, 205 B-8400 Oostende BE 0405.277.282	1,400	16	0	31-12-19	EUR	19,956	1,748
E.D.A. SA Avenue de la Cokerie, 9 B-4030 Grivegnée BE 0823.162.982	10	10	0	31-12-19	EUR	286	35
Epimède SA Rue Lambert Lombard, 3 B-4000 Liège BE 0634.750.380	2,080	20	0	30-06-20	EUR	-1,656	-3,194
Ethias Patrimoine SA Rue des Croisiers, 24 B-4000 Liège BE 0894.377.612	40	100	0	31-12-19	EUR	21,688	523
Ethias Services SA Rue des Croisiers, 24 B-4000 Liège BE 0825.876.113	999	100	0	31-12-19	EUR	437	186
Ethias Sustainable Investment Fund SA (European Equities High Yield) Rue des Croisiers, 24 B-4000 Liège BE 865.127.063	255,477	92	0	31-12-19	EUR	98,750	17,117
Ethias Sustainable Investment Fund SA (Global Equities) Rue des Croisiers, 24 B-4000 Liège BE 865.127.063	21,868	100	0	31-12-19	EUR	22,689	3,422

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 sub- sidiaries	Financial statements as of	Currency	Equity	Net profit or loss
	Number	%	%			(+) or (-) (in thousands of currency units)	
Expertisebureau Bellefroid NV Kiewitstraat, 175 B-3500 Hasselt BE 0429.884.105	13	10	0	31-12-19	EUR	738	-8
Foncière du Berlaymont SA Rue des Croisiers, 24 B-4000 Liège BE 0833.012.640	1,000	100	0	31-12-19	EUR	230	94
Fonds d'économie solidaire du bassin industriel de Charleroi Bd Pierre Mayence, 1 B-6000 Charleroi BE 0464.424.815	5,000	13	0	31-12-19	EUR	768	-12
Het Gehucht SA Rue des Croisiers, 24 B-4000 Liège BE 0808.840.636	500	100	0	31-12-19	EUR	1,411	-18
IDELUX Développement Drève de l'Arc-en-ciel, 98 B-6700 Arlon BE 0205.797.475	75	22	0	31-12-19	EUR	67,899	-711
IMA Benelux Square des Conduites d'Eau B-4020 Liège BE 0474.851.226	16,500	33	0	31-12-19	EUR	3,059	-77
Immo Hofveld SA Rue des Croisiers, 24 B-4000 Liège BE 0889.535.233	1,000	100	0	31-12-19	EUR	1,237	45
Immovivegnis SA Rue des Croisiers, 24 B-4000 Liège BE 0463.660.394	10,500	100	0	31-12-19	EUR	61	-7
Impulse Microfinance Investment Fund Sneeuwbeslaan, 20/2 B-2610 Antwerpen BE 0870.792.160	1,200	11	0	31-12-19	EUR	1,772	68
Jan Dockx SA Rue des Croisiers, 24 B-4000 Liège BE 0458.920.757	2,500	100	0	31-12-19	EUR	2,148	-56
Koala SA Rue des Croisiers, 24 B-4000 Liège BE 0873.412.150	400	100	0	31-12-19	EUR	4,357	-50
Les Hauts Prés SA Rue des Croisiers, 24 B-4000 Liège BE 0812.149.029	1,000	100	0	31-12-19	EUR	6,608	149
Lothian Developments IV SA Rue des Croisiers, 24 B-4000 Liège BE 0463.648.518	1,012,873	100	0	31-12-19	EUR	2,966	126
L'Ouvrier chez lui SA Rue d'Amérique, 26/1 B-4500 Huy BE 0401.465.578	9,000	51	0	31-12-19	EUR	2,764	106
Maison de l'assurance Square de Meeûs, 29 B-1000 Bruxelles BE 0403.306.501	2,776	11	0	31-12-19	EUR	2,800	20
Naos SA Route d'Arlon, 6 L-8399 Windhof B 207.559	670,000	67	0	31-12-19	EUR	10,387	541
Network Research Belgium SA P.l. des Hauts-Sarts 2 ^{ème} avenue, 65 B-4040 Herstal BE 0430.502.430	42,530	68		31-12-19	EUR	82,958	20,561

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)	
Palais des expositions congrès de charleroi Boulevard de l'Europe, 21 B-6000 Charleroi BE 0401.553.571	9,856	23	0	31-12-19	EUR	-68	-405
Sagitta SA Rue des Croisiers, 24 B-4000 Liège BE 0812.356.489	240	100	0	31-12-19	EUR	2,955	32
NEB Foncière SA Rue Louvre, 95 B-4000 Liège BE 0480.029.838	145	29	0	31-12-19	EUR	267	18
NEB Participations SA Rue Louvre, 95 B-4000 Liège BE 0480.029.739	60,503	29	0	31-12-19	EUR	64,951	5,703
Real Goed Invest SA Rue des Croisiers, 24 B-4000 Liège BE 0872.354.157	1,046	100	0	31-12-19	EUR	2,473	54
Veran Real Estate CY SA Rue des Croisiers, 24 B-4000 Liège BE 0894.106.012	100	100	0	31-12-19	EUR	4,920	-81
Vital Building SA Place Saint-Jacques, 11/105 B-4000 Liège BE 0875.171.810	5,000	50	0	31-12-19	EUR	4,606	104
Weerts Logistic Parks Holding Varnstraat, 2 3793 Teuven BE 0837.446.629	25,281,671	50	0	31-12-19	EUR	-16	-7

N°3. ACTUAL VALUE OF INVESTMENTS

Asset items	Amounts
C. Investments	17,922,954,491
I. Land and properties	225,382,229
II. Investments in associates and share interests	744,865,679
– Associates	608,669,953
1. Participating interests	608,669,953
2. Certificates, bonds and receivables	0
– Other companies linked by a participating interest	136,195,726
3. Participating interests	121,189,121
4. Certificates, bonds and receivables	15,006,606
III. Other financial investments	16,948,817,948
1. Shares, share interests and other variable income securities	830,756,081
2. Bonds and other fixed-income securities	15,291,857,458
4. Mortgage loans and mortgage credits	378,942,411
5. Other loans	446,103,336
6. Deposits with credit institutions	1,118,050
7. Others	40,612
IV. Deposits with ceding companies	3,888,635

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: € 150,000,000, rate risk	0	29,335,809
Forward bonds, volume: € 100,000,000, credit risk	0	-925,164

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	150,818,325	127,174,651
C.II.3 Investments in associated companies and participations - participating interests	3,291,893	2,953,099
C.III.1 Other financial investments - equities, shares and other variable-income securities	263,848,781	234,503,444
C.III.2 Other financial investments - bonds and other fixed-income securities	436,264,052	425,486,688
C.III.5 Other financial investments - other loans	23,697,364	22,291,497

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.5 Other financial investments - other loans: see valuation rules in note 20 (item 2)

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	XXXXXXXXXXXXXXX
- Changes during the year:		
- Year end	1,000,000,000	XXXXXXXXXXXXXXX
2. Structure of the capital		
2.1. Shares, share interests and other variable income securities		
Shares without indication of the nominal value	1,000,000,000	20,000,000
2.2. Registered shares of bearer shares		
Registered	XXXXXXXXXXXXXXX	20,000,000
G. Ownership structure of the company at the closing date of the accounts		
EthiasCo SCRL	XXXXXXXXXXXXXXX	1,000,010
Flemish Region	XXXXXXXXXXXXXXX	6,333,330
Walloon Region	XXXXXXXXXXXXXXX	6,333,330
Federal State (SFCI)	XXXXXXXXXXXXXXX	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	40,031,607
Other provisions for risks and charges	11,030,943
Provision for disputes	10,058,087

Nº7. 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	471,508,397
II. Non-convertible loans	471,508,397
Total	471,508,397
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	1,491,140,460
G. Debts	577,610,108
IV. Debts toward credit institutions	577,610,108
Total	2,068,750,568
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	21,083,475
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	39,784,809
Total	60,868,284

Nº8. STATEMENT OF ACCRUALS FOR LIABILITIES

Breakdown of the liability item H	Amounts
Financial income to be carried forward	1,003,197
Financial charges to be allocated (Bond Issue and REPO)	17,886,716

Nº10. INFORMATION ON TECHNICAL ACCOUNTS

Non-Life insurance

Content	Direct business				
	Total	Total	Accidents and disease	Automobile Civil Liability	Automobile Other branches
			(Branches 1 and 2)	(Branch 10)	(Branches 3 and 7)
1) Gross premiums	1,382,016,258	1,381,142,289	477,723,109	273,186,405	194,300,479
2) Earned gross premiums	1,378,545,809	1,377,671,840	477,403,683	273,121,638	194,634,873
3) Gross damages	994,824,792	996,377,910	410,020,514	218,668,448	100,759,987
4) Gross operating costs	255,007,416	254,823,705	57,809,706	57,828,107	40,201,890
5) Reinsurance balance	-14,633,040	-14,692,992	-1,128,585	-1,934,605	-733,666
6) Commissions (art. 37)		36,700,539	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	333,779	228,143,462	103,955,731	206,827	19,187,930
2) Earned gross premiums	335,772	224,879,290	104,166,660	206,827	19,249,491
3) Gross damages	4,445	120,900,336	92,064,455	355	10,935,819
4) Gross operating costs	74,750	52,404,208	20,913,373	33,623	3,759,878
5) Reinsurance balance	0	-6,612,440	-4,245,015	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	41,889,509	42,215,058	873,969
2) Earned gross premiums	41,548,767	42,124,839	873,969
3) Gross damages	23,791,413	19,232,138	-1,553,118
4) Gross operating costs	9,753,376	12,044,794	183,711
5) Reinsurance balance	0	-38,681	59,952
6) Commissions (art. 37)	0	0	0

Life insurances

Content	Amounts
A. Direct business	
1) Gross premiums:	1,347,765,477
a) 1. Individual premiums	41,909,768
2. Premiums under group insurance contracts	1,305,855,709
b) 1. Periodic premiums	985,956,966
2. Single premiums	361,808,511
c) 1. Premiums for non-bonus contracts	22,630,442
2. Premiums for bonus contracts	1,324,796,080
3. Premiums from contracts where the investment risk is not borne by the company	338,955
2) Reinsurance balance	-759,694
3) Commissions (art. 37)	2,644,478
B. Accepted cases	
Gross premiums:	0

Non-Life insurance and Life insurance, direct business

Content	Amounts
Gross premiums:	
- in Belgium	2,673,202,333
- in the other states of the EEC	55,705,434

N°11. STATEMENT ON PERSONNEL EMPLOYED

Categories	2020		
	Total number at closing date	Total average number of persons employed (*)	Number of hours worked
Personnel under employment or internship contract (**)	1,923	1,745	2,590,566
Temporary staff and persons made available to the company	0	1	1,965
TOTAL	1,923	1,745	2,592,531

Categories	2019		
	Total number at closing date	Total average number of persons employed (*)	Number of hours worked
Personnel under employment or internship contract (**)	1,887	1,710	2,427,522
Temporary staff and persons made available to the company	-	1	1,402
TOTAL	1,887	1,711	2,428,924

(*) The average number of employees is calculated in full time equivalents in accordance with Article 12, § 1 of the Royal Decree of 12 September 1983 implementing the law of 17 July 1975 on the accounting and the annual accounts of companies.

(**) The staff under employment or internship contract is made up of workers entered in the staff register and linked to the company by an employment contract or an internship contract within the meaning of Royal Decree N° 230 of 21 December 1983.

As for the personnel:

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		2020	2019
a) Their total number at the financial year's closing date		1,923	1,887
b) The average number of personnel employed by the company during the previous financial year, calculated in full-time equivalents and broken down according to the following categories:			
- management staff		1,745	1,710
- clerical staff		26	25
		1,719	1,685
c) The number of hours worked		2,590,566	2,427,522
B. The following information relating to the financial year and the previous financial year, concerning temporary staff and persons made available to the company		2020	2019
a) Their total number at the financial year's closing date		0	0
b) Average number of full-time equivalents calculated in a similar way to employees registered in the personnel register		1	1
c) The number of hours worked		1,965	1,402

N°12. STATEMENT ON ALL ADMINISTRATIVE AND MANAGEMENT COSTS, BROKEN DOWN BY TYPE

Name	Amounts
I. Employee benefit expenses	186,085,530
1. a) Remunerations	110,344,605
b) Pensions	0
c) Other direct social benefits	43,853,530
2. Employers' social security contributions	35,997,523
3. Employers' allowances and premiums for extra-legal insurances	168,903
4. Other employee benefit expenses	-3,885,092
5. Provisions for pensions, remuneration and social security costs	-393,939
a) Appropriations (+)	0
b) Expenditures and reversals (-)	-393,939
II. Services and other goods	148,425,368
III. Depreciation and write-down on intangible and tangible assets other than investments	30,009,449
IV. Provisions for other risks and expenses	1,200,000
1. Allocation (+)	1,200,000
2. Expenditures and reversals (-)	0
V. Other current expenditure	10,641,897
1. Fiscal operating costs	1,559,115
a) Property tax	1,375,476
b) Others	183,639
2. Contributions to public bodies	4,347,798
4. Others	4,734,984
VI. Administrative costs recovered and other current income (-)	-5,395,690
1. Recovered administrative costs	5,395,690
b) Others	5,395,690
Total	370,966,554

N°13. OTHER INCOME, OTHER COSTS

Name	Amounts
A. Breakdown of the other income (item 7 of the non-technical account)	
Reversals of write-downs on litigations	10,970,414
Capital gains realised on assets other than investments	47,318
Others	124,349
B. Breakdown of the other costs (item 8 of the non-technical account)	
Amortizations	508,432
Impairments on receivables	14,391,307
Capital losses realised on assets	3,281,883
COVID-19 solidarity action	2,184,813
Commissions and financial costs	671,176
Others	835,898

N°15. INCOME TAXES

Name	Amounts
A. Breakdown of item 15 a) 'Taxes':	18,300,000
1. Income taxes for the financial year	18,300,000
a) Refundable advance payments and prepayments	18,966,591
c) Excess of advance payments and / or capitalized refundable withholding taxes (-)	-833,783
d) Estimated tax supplements (included in heading G.V.1.a) of liabilities)	167,192
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)	17,599,473
- Income exempt and non-allowable losses on shares	17,834,103
- Disallowed expenses (excluding shares)	11,645,502
- Miscellaneous deductions (previous losses, notional interest, income from innovation ...)	-194,214,133
D. Sources of deferred tax assets:	
1. Deferred tax assets	1,167,260,000
Accumulated tax losses and definitively taxed income ("RDT") (carry-forward)	61,180,000
Taxed technical provisions	1,089,450,000
Taxed impairments and other taxed reserves	16,630,000
2. Future tax liabilities:	0
Surplus value (spread taxation)	0

N°16. OTHER TAXES AND CHARGES BORNE BY THIRD PARTIES

	2020	2019
A. Charges:		
1. Charges on insurance contracts borne by third parties	254,609,364	258,542,808
2. Other charges borne by the company	987,961	1,070,966
B. Amounts retained on behalf of third parties in respect of:		
1. Withholding tax on earned income	300,262,540	292,284,157
2. Withholding tax (on dividends)	1,381,953	948,690

Nº17. 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	592,334,695
D. Collateral received (others than in cash)	
a) securities and values of reinsurers	111,103,686
b) others	591,437,064
G. Nature and business purpose of off-balance sheet transactions:	
H. Others	778,099,435
Commitments to acquire real estate	249,854
Property lending commitments	27,711,000
Infrastructure lending commitments	56,361,423
Financial lending commitments	16,200,000
Public Bodies lending commitments	10,000,000
Mortgage lending commitments	0
Agency lending commitments	40,000,000
Participating interest commitments	33,869,000
Bond fund commitments	134,248,130
Equity fund commitments	28,380,116
Infrastructure fund commitments	106,341,747
Commitments to acquire other securities	172,918,365
Commitments to dispose of other securities	149,980,600
IT projects commitments	1.839,200

Nº18. 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	
	2020	2019	2020	2019
C. II. Investments in associates and share interests	372,286,261	342,528,728	53,809,524	52,137,059
1 + 3 Share interests	372,286,261	342,528,728	39,397,591	36,152,521
2 + 4 Certificates, bonds and receivables	0	0	14,411,933	15,984,538
- Others	0	0	14,411,933	15,984,538
D. II. Investments in associates and share interests	3,999,497	4,354,388	0	0
1 + 3 Share interests	3,999,497	4,354,388	0	0
E. Receivables	1,373,952	131,822	1,211,740	0
I. Receivables arising from direct insurance operations	1,047,183	131,822	1,022,342	0
III. Other receivables	326,769	0	189,398	0
B. Subordinated debts	3,500,000	3,500,000	0	0
G. Debts	15,710,339	28,018,734	-398	0
I. Receivables arising from direct insurance operations	0	0	0	0
V. Other debts	15,710,339	28,018,734	-398	0

Associated companies	2020	2019
Other significant financial commitments	33,869,000	0

N°18BIS. RELATIONS WITH ASSOCIATED COMPANIES

Relations with the associated companies (*)	2020	2019
1. Amount of the financial fixed assets	50,998,342	21,253,268
- Share interests	50,998,342	21,253,268
5. Other significant financial commitments	89,527,860	0

(*) 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*	453,618

* 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:	632,330
2. Fees for exceptional services or special missions accomplished within the company by the statutory auditor:	36,520
- Other control missions	36,520
- 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:	44,813
- Tax advice missions	29,813
- Other missions outside the audit missions	15,000

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 capitalized at their purchase or cost price, including incidental expenses.

Software and development costs are capitalized 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 recognized 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 amortized on a straight-line basis over five 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 amortized on a straight-line basis at a rate of 20%, except for amortization of development costs and goodwill when the useful life cannot be reliably estimated, which is spread over a maximum period of ten years. The amortization period of goodwill is justified in the note to the financial statements.

INVESTMENTS (HEADING C)

Land and properties (sub-heading C.I.)

They are capitalized 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. Additional or exceptional impairments can be recognized on a proposal from the Management 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 unrealized 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 recognized on a proposal from the Management Committee. The impact of these impairments are 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 realized 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 recognized 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 recognized 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 recognized 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 recognize an impairment or not is subject to an analysis at each balance sheet closing date. In that analysis, we take into account the following criteria 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 unrealized loss observed.

Criteria taken into account to determine whether an impairment should be recognized

- 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 realized gains and losses, is determined on the basis of the weighted average price.

Within the framework of an arbitrage operation, the realized gains and losses on the balance sheet are maintained and recognized 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 recognized in the balance sheet at their actual value (market value).

Deposits with credit institutions (sub-heading C.III.6)

Receivables (heading E)

Available values (sub-heading F.II)

These items are recognized at their nominal of purchase price.

Impairments are registered to take into account the uncertainties of their recovery.

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 capitalized 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 organizations.

The equalization 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 recognized through profit or loss if they serve no longer any purpose.

Deposits received from reinsurers (heading F) and debts (heading G)

These items are recognized at their nominal value.

Other particular rules

Accounts denominated in currencies

The monetary items are valorized 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 recognized through profit or loss. The balance of the positive differences is recognized in the accruals as deferrable proceed.

Derivatives

The derivative financial instruments, used on a speculative basis, follow the prudence principle. This means that the unrealized losses are subjected to impairments or are used to constitute provisions for financial risks. However, the unrealized gains are not recognized 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 recognized as such and this, from the conclusion of the transaction.

N°21. CHANGES TO VALUATION RULES:

None.

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	42,252,618

Derivative financial instruments used	
Forward buy swaps	4 financial year transactions
Forward bonds coupled with forward swaps	3 acquisition transactions and 7 financial year transactions
Cap/floor	1 acquisition transaction and 1 disposal transaction
Index Put	4 acquisition transactions

Profit and loss accounts	Result	Reversal of impairment losses	Provision for impairment losses
Forward bonds coupled with forward swaps	128,679	1,054,679	926,000
Cap/floor	-76,800	0	0
Index Put	0	0	-880,040

Goodwill

The amount of 39 million euros 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 16 million euros (gross value of 26 million euros), amortized over the duration of the commitments, viz. 10 years;
- Goodwill resulting from the acquisition of the "Work Accidents Law 1967" portfolio as at 31 December 2017, for an amount of 23 million euros (gross value of 34 million euros), amortized over 10 years, based on the duration of the commitments.

Allocation to the flashing-light provision

On 09 December 2020, 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 2020 financial year, as the solvency requirements were met.

COVID-19 crisis

The health crisis and its consequences have undeniably had a non-negligible impact on all levels of our insurance activities in 2020. And at the beginning of 2021, the crisis persists and continues to percolate into the real economy.

The year 2020 saw a significant reduction in the frequency of claims in the branches “Motor Vehicle” and “Occupational Accidents” as well as a decline in churn volumes.

The slowdown in economic activity, which according to NBB statistics led to a fall in GDP of more than 6%, also had an impact on our premium collections, where coverage suspensions and premium revisions were requested by our clients.

The financial turmoil due to the COVID-19 crisis had, on a year-on-year basis, a relatively small impact on Ethias’ SII coverage ratio (-3%), mainly due to our reduced sensitivity to interest rates and close monitoring of our spread positions, thanks to the increase in equity markets during the second half of the year.

As a result of the COVID-19 crisis and its socio-economic consequences on our underwriting/insurance activities, the emergence of several risks has been observed.

Within sectors where the economic depression is experienced, we could have suffered from the decrease in our turnover as well as from policyholder defaults. The impact of that risk has however been mitigated by the very well diversified position of Ethias.

There remain also uncertainties as to the extent to which the insurance sector will be required by the government to either adjust premiums to the claim evolution due the health crisis (e.g. in motor or health insurance) or to cover the COVID-19 pandemic risk (currently without a clear view on how the (re)insurance market can handle that risk, possibly together with the authorities).

Furthermore the delay in non-urgent health care (not performed during the lockdown period) may also lead to an increase in severity of future claims (due to a deterioration of the health state because of deferred care).

Finally, we can also mention that a prolonged health crisis could lead to an increase in fraudulent behaviour or unpaid premiums (resulting from the economic crisis) and that habits linked to more frequently working from home may contribute to a change in the risk profile (increased exposure to cyber risk, alteration of the worker’s accident risk profile, ...). No realization of the fraud or default risk was observed in 2020.

Write-down on the Ethias Sustainable Investment Fund sicav

Ethias SA holds 91.74% of the shares in the European Equities High Yield sub-fund of the SICAV “Ethias Sustainable Investment Fund”.

The book value of this participation amounts to € 100,180,086 at end-December 2020, 18% higher than the market value (€ 82,493,523) at the same date due to the decline of the financial markets. Taking into account the applicable valuation rules (recognition of a write-down in case of long-term impairment, assessed using an approach similar to the rule for shares, i.e. an impairment loss of at least 20% for a consecutive period of 12 months), the impairment loss was deemed not to be long-term in view of the expected recovery of the equity markets, and did not give rise to a write-down in the books of Ethias SA.

13.4 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.

2020 (During the year)	Total	Men	Women
Average amount of employees			
Full-time	1,463	809	654
Part-time	437	146	291
Total in full-time equivalents (FTE)	1,745	891	854
Number of hours actually worked			
Full-time	2,167,675	1,227,300	940,375
Part-time	422,891	131,386	291,505
Total	2,590,565	1,358,686	1,231,879
Employee benefit expenses			
Full-time	155,708,455	88,159,456	67,548,999
Part-time	30,377,075	9,437,706	20,939,369
Total	186,085,530	97,597,162	88,488,368
Amount of benefits granted in addition to wages	251,505	131,908	119,597

2019 (During the year)	Total	Men	Women
Average amount of employees	1,710	883	827
Number of hours actually worked	2,427,522	1,280,995	1,146,527
Employee benefit expenses	207,047,475	109,258,237	97,789,239
Amount of benefits granted in addition to wages	287,787	151,864	135,923

2020 (At the financial year's closing date)	Full-time	Part-time	Total (FTE)
Number of employees	1,516	407	1,770
By type of employment contract			
Permanent contract	1,435	406	1,688
Fixed-term contract	73	1	74
Replacement contract	8		8
By sex and educational level			
Men	845	122	903
secondary education	124	58	148
higher non-university education	428	48	456
university education	293	16	300
Women	671	285	866
secondary education	87	82	136
higher non-university education	335	139	437
university education	249	64	294
By professional category	-	-	-
Management staff	26	0	26
Clerical staff	1,490	407	1,744

Temporary staff and persons made available to the company

2020 (During the year)	Temporary staff
Average number of persons employed	1
Number of hours actually worked	1,965
Costs for the company	78,463

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.	140	1	141
By type of employment contract			
Permanent contract	82	0	82
Fixed-term contract	54	1	55
Replacement contract	4	0	4

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.	99	6	104
By type of employment contract			
Permanent contract	54	5	58
Fixed-term contract	41	1	42
Replacement contract	4	0	4
By reason of termination of the contract			
Retirement	6	0	6
Unemployment with company allowance	0	0	0
Dismissal	11	0	11
Other reason	82	6	87

Information about training for employees during the financial year

2020	Men	Women
Formal initiatives of continuing vocational training paid by the employer		
Number of employees involved	984	999
Number of hours of training	9,408	9,693
Net costs for the company	1,367,705	1,398,955
of which gross costs directly linked to trainings	1,236,815	1,266,070
of which contributions and deposits paid to collective funds	142,493	144,665
of which allowances and other financial benefits received (to be deducted)	11,604	11,780
Less formal or informal initiatives of continuing vocational training paid by the employer		
Number of employees involved	876	895
Number of hours of training	7,326	8,708
Net costs for the company	538,168	639,653

**14. STATUTORY AUDITOR'S REPORT ON THE FINANCIAL
STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020**



FREE TRANSLATION

ETHIAS SA/NV

**Statutory auditor's report to the general
shareholders' meeting on the annual accounts for
the year ended 31 December 2020**

23 April 2021

FREE TRANSLATION

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF ETHIAS SA/NV ON THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2020

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. 20 May 2020, 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 workers' 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 2022. We have performed the statutory audit of the Company's annual accounts for 13 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 2020, 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 18.224.266.496 and a profit and loss account showing a profit for the year of EUR 202.863.174.

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 2020, 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 2020, technical provisions amount to EUR 13.516 million and represent 74% of the total balance sheet.

The adequacy test of these provisions is complex and relies on a significant degree of judgment. 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 based, or not, on observable market data.

As of 31 December 2020, the Company held assets valued by a non-independent counterparty (mainly bonds and other fixed income securities) for an amount of EUR 708 million and internally (mainly “corporate” bonds) for an amount of EUR 179 million.

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.

We believe that the key assumptions used in determining the fair value of these investments are reasonable. The independent tests we performed did not reveal any exceptions in determining the fair value of investments for which a quoted price in an active market is not available.

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, the separate report on non-financial information and the other information included in the annual report, 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, the separate report on non-financial information and the other information included in the annual 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 and to the other information included in the annual 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 and the other information included in the annual 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 a separate report from the directors' report. This report of non-financial information contains the information required by virtue of article 3:6, §4 of the Companies' and Associations' Code, and agrees with the annual accounts for the same year. The Company has prepared the non-financial information based on internationally recognized reference frameworks. 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 these internationally recognized reference frameworks.

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 and risk 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 29 January 2020, 19 February 2020 and 29 April 2020 as described in section 10.4 of the directors' report and we have no remarks to make in this respect.

Sint-Stevens-Woluwe, 23 April 2021

The statutory auditor
PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV
Represented by

Tom Meuleman
Réviseur d'Entreprises / Bedrijfsrevisor

15. NOTE: DECLARATION ON NON-FINANCIAL INFORMATION



NON- FINANCIAL REPORT

2020





INTRODUCTION

2020 was an unprecedented, difficult and challenging year. A year we will not lightly forget. The evolution of the COVID-19 pandemic has revealed, day after day, countless and considerable impacts.

When Ethias says it is the “partner of your daily life”, it is not just because of a mission or a slogan. No, it is about its role, its passion and its responsibility, which it has been assuming for over 100 years.

Today, more than ever, it is essential and natural for us to be ready, to anticipate the needs in order to accompany, support and protect citizens and sectors who are in need. During this complex period, Ethias has continued to work around four pillars of protection:

- Protecting our staff
- Protecting our policyholders (private individuals & public sector)
- Protecting Belgian society (clients & non-clients)
- Protecting our company

In this unusual context, the 1,900 employees have taken numerous actions. With unwavering commitment, a strive for solidarity and a willingness to do good. It also quickly became clear that Ethias would actively participate in the federal and regional recovery plans. The DECAVI Trophy, which Ethias received in October 2020 for all the initiatives it undertook in the context of the pandemic, is a strong recognition of this social commitment.

However, these exceptional circumstances did not dampen our innovation drive. For example, we launched several new tools, products and services, while pursuing a solid **group strategy** focused on value creation through ecosystems in crucial areas such as health, ageing, mobility and public services.



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PANDEMIC
TROPHY 2020

This fourth non-financial report details Ethias' numerous CSR actions in three areas: **People, Profitability & Planet**. Our 2020 action plan, inspired by the Sustainable Development Goals (SDGs) of the United Nations Global Compact, has made it possible to undertake the following actions:

- **The donation of 1,000 PCs** for schools throughout Belgium
- A structural partnership with Digital For Youth to **offer 175 refurbished PCs to children in need**
- **Reimbursement of certain premiums**, of one month's rent, and discounts on car and cancellation insurances for policyholders who are temporarily unemployed
- The development of **innovative solutions** (teleconsultation, an aid & solidarity platform for citizens ...)
- Free professional **psychosocial assistance** to employees, students and self-employed persons
- **Free extensions of coverage** to insure health care staff and the thousands of volunteers who work alongside them
- The activation of our **Change Over** plan to achieve **carbon neutrality** by 2030 with a reforestation project in Zambia, but also a study that will allow us to have passive buildings, limit unnecessary (commuter) travel, deploy working from home and reduce unnecessary consumption
- The signing of the **United Nations Principles for Responsible Investment** (UN PRI). Ethias has publicly committed to taking into account the importance of the environment, society and good governance in its investment choices

At the time of finalizing this report, the pandemic is not yet behind us, but our company is in control of its impacts. As an insurer, investor, societal player and entrepreneur, **Ethias will continue to take all possible steps to help reduce the negative consequences of this global catastrophe on its policyholders and on Belgian society.**

We wish you a pleasant reading and remain - together with all our staff - attentive to your needs.

Myriam
VAN VARENBERGH

Chair of the
Board of Directors

Philippe
LALLEMAND

Chairman of the Executive Committee
Chief Executive Officer



SUSTAINABLE DEVELOPMENT GOALS (SUSTAINABLE DEVELOPMENT GOALS OR SDG'S)

The Sustainable Development Goals are a universal call to action to end poverty, protect the planet and improve the lives and opportunities of people everywhere.

The 17 Sustainable Development Goals 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.

- | | | | |
|---|--|--|--|
|  | <ul style="list-style-type: none"> • End poverty in all its forms everywhere |  | <ul style="list-style-type: none"> • Reduce inequality within and among countries |
|  | <ul style="list-style-type: none"> • End hunger, achieve food security and improved nutrition and promote sustainable agriculture |  | <ul style="list-style-type: none"> • Make cities and human settlements inclusive, safe, resilient and sustainable |
|  | <ul style="list-style-type: none"> • Ensure healthy lives and promote well-being for all at all ages |  | <ul style="list-style-type: none"> • Ensure sustainable consumption and production patterns |
|  | <ul style="list-style-type: none"> • Ensure inclusive and equitable quality education and promote lifelong opportunities for all |  | <ul style="list-style-type: none"> • Take urgent action to combat climate change and its impacts |
|  | <ul style="list-style-type: none"> • Achieve gender equality and empower all women and girls |  | <ul style="list-style-type: none"> • Conserve and sustainably use the oceans, seas and marine resources for sustainable development |
|  | <ul style="list-style-type: none"> • Ensure availability and sustainable management of water and sanitation for all |  | <ul style="list-style-type: none"> • Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss |
|  | <ul style="list-style-type: none"> • Ensure access to affordable, reliable, sustainable and modern energy for all |  | <ul style="list-style-type: none"> • Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels |
|  | <ul style="list-style-type: none"> • Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all |  | <ul style="list-style-type: none"> • Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development |
|  | <ul style="list-style-type: none"> • Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation | | |

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PRESENTATION ETHIAS

PROUD OF OUR VALUES

Our values are the foundation of our identity, our culture and our personality.

In a nutshell, they are the DNA of Ethias and were defined in 2018 with all Ethias staff:

♥ # 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. For us, proximity and solidarity are no empty words.

*#Empathy #Respect #Proximity
#Team #Solidarity*

✓ # Commitment

Every day for more than 100 years, we have been committed to our clients, to our colleagues and to society in an efficient way. We are reliable, trustworthy and willing. This commitment also relates to ethics, which remains at the root of all our actions, and to our social responsibility.

*#Confidence #Trustworthy #Efficiency
#SocialResponsibility #Ethics #Responsible
#100years #Proactive*

👍 # ClientSatisfaction

This is the driving force of our activities and of all our actions. Through our mutualist origins, we emphasize on client contact possibilities and on exemplary service quality. Our accessibility, our efficiency, our flexibility speak for themselves and clearly contribute to the satisfaction of our clients.

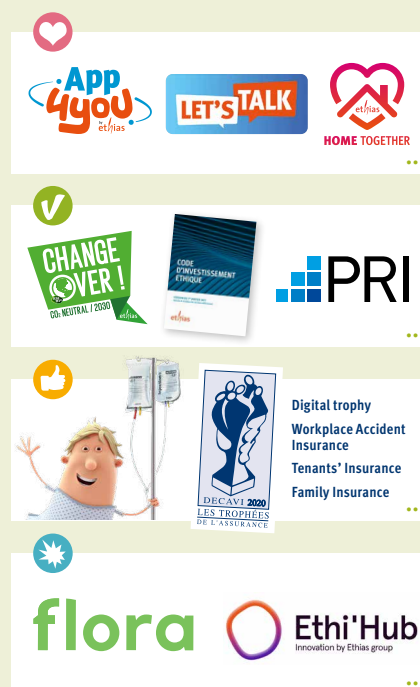
*#Accessible #Partner #Flexibility #Adaptability
#Efficiency #Simplicity #Agile*

★ # Enthusiasm

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

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

Our values are expressed in daily life (when welcoming our clients, settling a claim, providing advice on prevention, etc.). They are also materialized when implementing our dynamic policy of corporate social responsibility (CSR), listening to the concerns of our policyholders, private individuals as well as public bodies.



OUR MISSION

Our mission is our *raison d'être*. In a clear and concise way, it presents what we do and how we stand out. It gives meaning to all our actions and makes us work together in the same direction.

Our mission is as follows:

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 mission lives on every day through the actions of all Ethias employees, which are reflected in the pages of this report.

OUR VISION

Our vision for the future is based on 3 pillars:



THE STRENGTH OF A GROUP

Building on the success of its unique model, Ethias has taken a new step in 2020 by further capitalising on the strengths and specificities of its subsidiaries to position Ethias as a value-generating group for all its stakeholders.



ethias

Ethias: 100 years of expertise in assisting clients with their needs to protect individuals and goods

NRB
DARING TO COMMIT

NRB: provider of ICT solutions and services with a European vocation

flora

Flora : 100% digital insurance

ethias
SERVICES

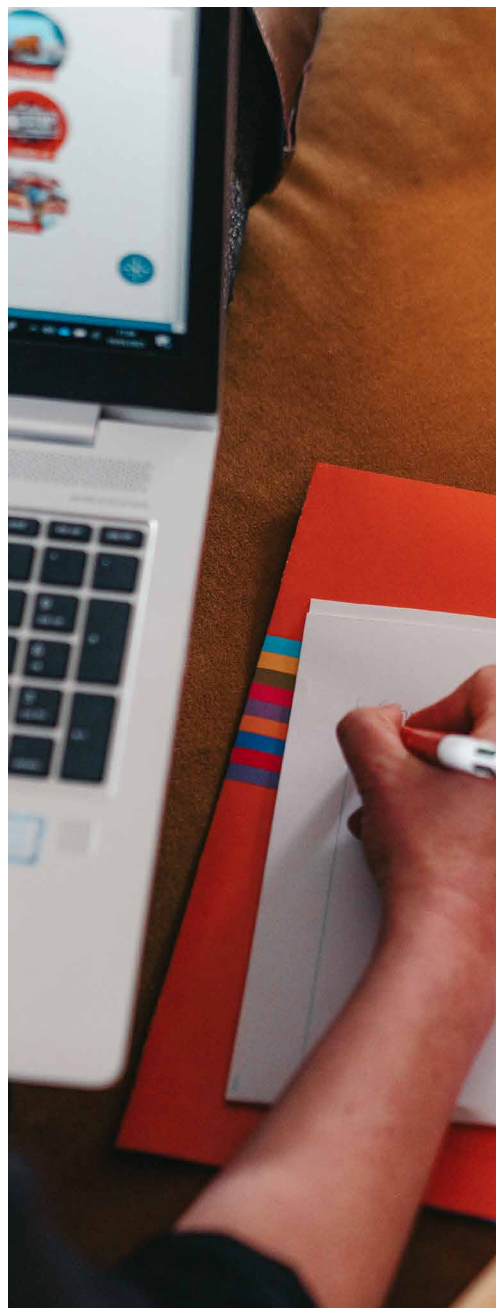
Ethias Services: development of innovative digital services and provision of expertise in actuarial, tax, financial, legal and prevention matters

IMA BENELUX
ASSISTANCE

IMA Benelux: development and services related to Car, Home and Health Care assistance

ethias
PENSION FUND

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



From a strategy as an insurer to a strategy of integrated services for clients

A strengthened integration of the group's entities - through synergies, expertise and the talents of more than 5,000 employees - allows Ethias to accelerate the implementation of ecosystems and to position the company on a service offering that goes beyond the mere proposal of insurance contracts in crucial areas such as health, ageing, mobility and public services.

The strategy is based on 5 pillars:

- Offering extended **services**
- Developing **digital** and technological **innovations**
- Building **ecosystems**
- Creating **synergies** and pooling **skills**
- Building **partnerships** and rethinking the sales approach

INNOVATION HUB



Anticipating client expectations is vital for Ethias, which now relies on the strength of a group to reinforce its position as the #1 direct and digital company and leader in the public sector.

Ethias has set up an **Innovation Hub** to boost the creation of new services closely or remotely related to insurance. It is an **open, flexible and participatory** entity. Its team is composed of different and multidisciplinary profiles working with internal and external contributors. The Innovation Hub is a true space for **co-creation** and **experimentation**, for **accelerating and concretizing projects**. From post-it notes to prototypes, from testing to market introduction. The Hub is highly **consumer-oriented** and investigates user behaviour to find innovative solutions. This structure is also a **monitoring and analysis laboratory** that keeps an eye on what is most innovative so as to identify the most promising projects.



Ethi'Hub

Innovation by Ethias group

An **Innovation Board** composed of colleagues from Ethias, Ethias Services and NRB has been set up to **steer innovation at the Ethias Group level** in an intrapreneurial and agile mode. IMA is also integrated according to the common cases we work on.

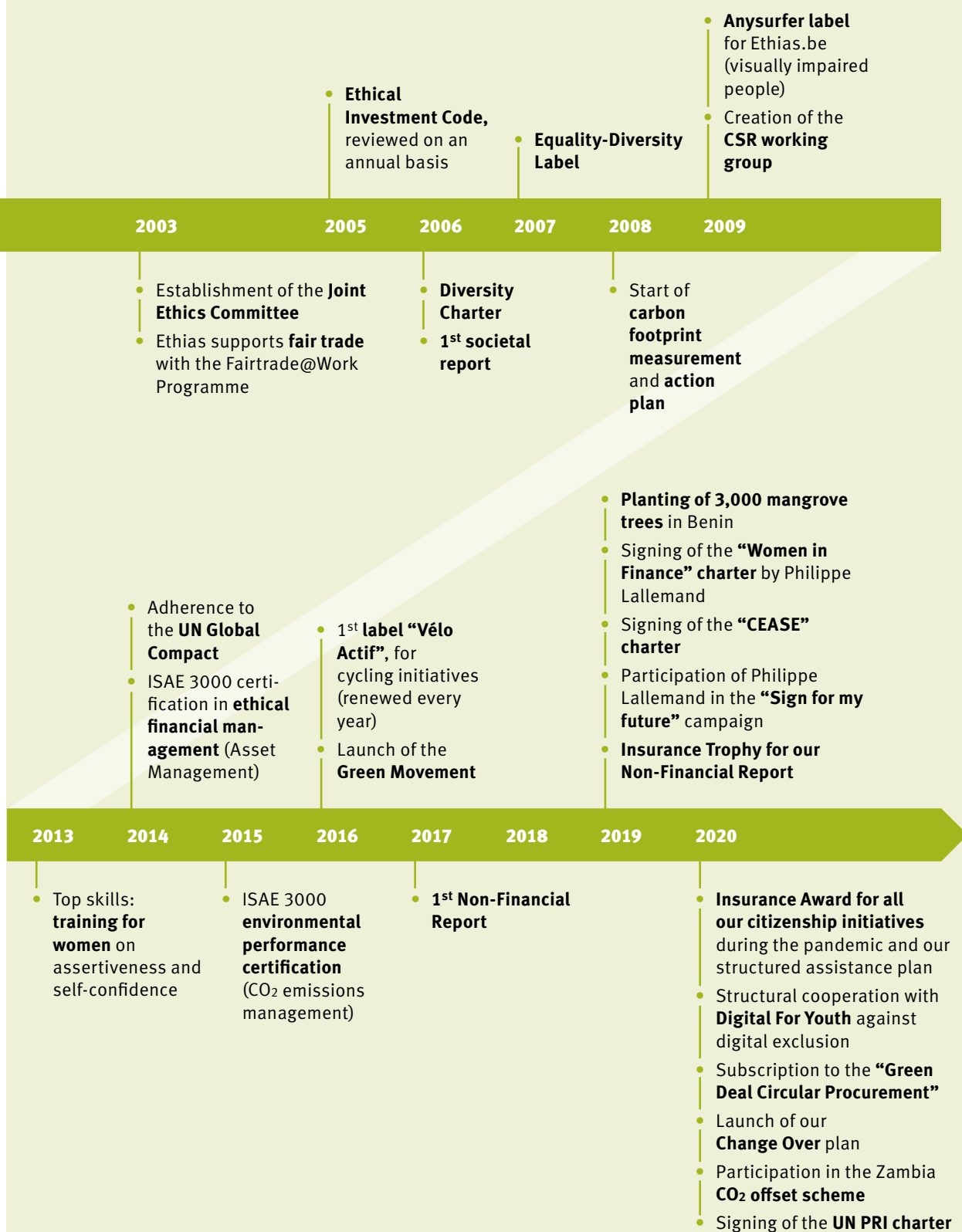
This approach accelerates our development thanks to the complementary nature of our 5,000 employees, for the benefit of our clients and society in general.

The 2020 initiatives detailed in this report are marked with a pictogram.



GENERAL FRAMEWORK

CSR AT ETHIAS: A PROVEN EXPERTISE



REVIEW 2020

Societal commitment

People / Profitability / Planet

Measures to help and protect against Covid-19

Staff / Clients / Belgian society / Company



PANDEMIC
TROPHY 2020

Climate



Towards carbon neutrality

Diversity

Gender / age / disability / origin

United Nations Global Compact

Adherence, responsibility
and commitments

17 Sustainable Development Goals of the United Nations

Approach rooted in
worldwide concerns



Finance



Socially responsible
and sustainable investor

Beyond insurance

An Ethias Group-wide strategy for more
integrated services for the benefit of its clients





PEOPLE

HUMAN
CAPITAL





MEASURES TO SUPPORT THE POPULATION DURING THE HEALTH CRISIS



Ethias anticipates the needs to play an active role in identifying solutions and implementing measures to contribute to the recovery.



Ethias brings the strength of its group to offer innovative solutions. It has invited the sector to reflect on how to cover pandemics in the future.



Ethias is involved in supporting hard-hit sectors such as culture and sport, notably by maintaining our sponsorship despite the cancellation of most events. It also distributed consumption cheques to all its staff to encourage the local economy.

Many specific actions have also been implemented for our clients.
The list can be found on page 29.

Financial emergency aid

As a social actor, Ethias provides financial emergency aid to the following institutions:

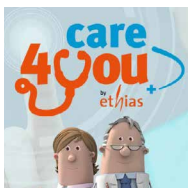
- **Red Cross:** through an exceptional donation, by inviting staff to support the Red Cross (call for donations and/or blood donations) and by relaying the call for donations
- **Doctors Without Borders:** also through a donation to help them in their mission, in consultation with the Belgian health authorities, to provide specific assistance in the front line to hospitals, elderly people in rest homes and vulnerable groups such as migrants and the homeless
- **Domestic Violence Helpline in Wallonia:** through the donation of computer equipment (via our partner Digital For Youth) to optimise the handling of incoming calls and the management of the chat
- **Professional helpline in Flanders for questions about domestic violence, abuse and child abuse (1712):** through financial support for the information campaign on social media



Because we want quality education for all

- **Donation of 1,000 laptops** (equipped with headphones and software) to primary and secondary schools in the country (550 in Flanders, 420 in the Wallonia-Brussels Federation and 30 in the German-speaking region). In this way, we not only support distance learning, when necessary, but also the further digitalization of education
- **Donation of 175 PCs** to students in need. This operation is carried out in collaboration with **Digital For Youth**, an organization that aims to provide all young people in Belgium with safe and easy access to ICT
- Through its **"Let's Talk"** initiative, Ethias aims to help young people find the way to psychological help by offering them a total of 2,000 consultations. Any student insured by Ethias could contact a psychologist by phone from 18 December 2020 to 31 January 2021 (exam period) free of charge and in complete confidence. A conversation could last up to 50 minutes





Because we are committed to innovation



- **App4You:** In less than 3 weeks, a group of specialists from Ethias and NRB developed a digital aid and solidarity platform, free and accessible to all citizens. The name of this platform: App4You. Through this new application, volunteers and people in need can meet and help each other. This strengthens, if necessary, our position as the N°. 1 direct insurer
- **Care4You:** is a free and secure online teleconsultation tool. It is one of the most secure platforms in Belgium: access is only possible via the *itsme* application and no medical data is recorded or used for commercial purposes. It is available to all healthcare professionals with a NIHDI number (National Institute for Health and Disability Insurance)

Because co-creation is close to our heart

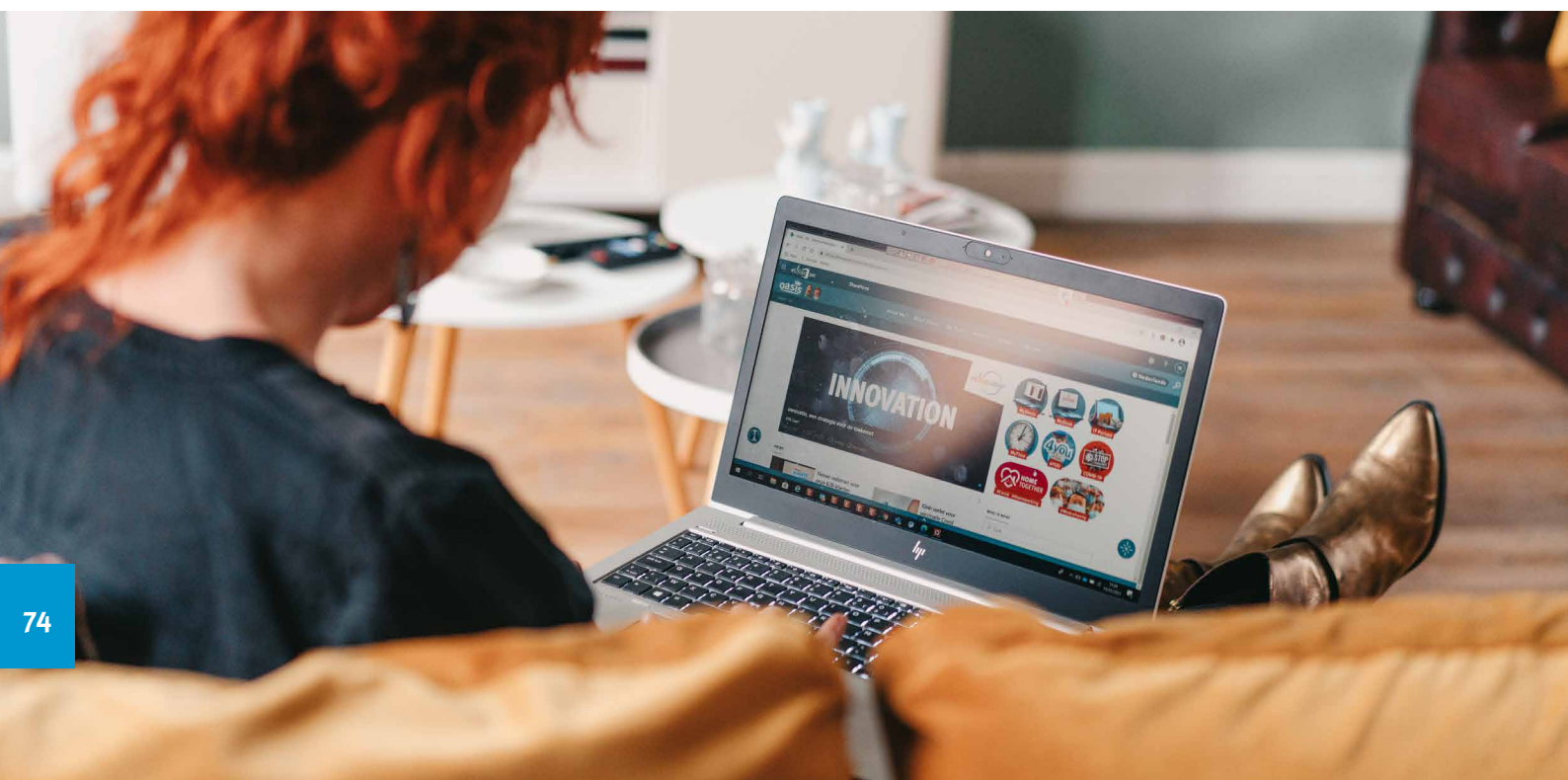
- Ethias took a financial stake in **"Endo Tools"**, a ULB spin-off. This biomedical company has succeeded in developing specific connectors to convert masks into emergency breathing devices for COVID-19 patients. Thanks to the financial support of Ethias, this company has been able to provide around fifteen hospitals with such emergency equipment. It is of course Ethias' wish to continue its commitment to the health ecosystem
- **Support to the VUB Consortium:** this consortium brings together academia and industry to provide emergency equipment for medical staff. Thus, with the support of Ethias, recreational masks could be transformed into protective equipment for hospital staff treating COVID-19 patients

Because we know that sport is essential

- Ethias decided to **provide financial support to sports federations** by purchasing part of the prevention equipment, including hydro-alcoholic gel dispensers and floor markings that draw attention to social distancing rules and hygiene guidelines to ensure the safety of users

Because culture is a weapon against ignorance

- Ethias wants to **support culture** by distributing 1,500 prevention kits to Belgian cultural organizations
- Ethias is committed to the revival of the cultural sector through a donation to **Artistes du Cœur / Hart voor Kunstenaars**, a national crowdfunding campaign launched by the Union des Artistes asbl and Artists United vzw





PROTECTING EMPLOYEES

Its human capital is invaluable to Ethias. During the pandemic, Ethias was able to react very quickly to ensure the continuity of its activities while protecting its staff at all levels.

Working from home (WFH)

Telework, required by the Federal Government since March 2020, meant that almost all Ethias employees had to work full-time from home for a long period of time. Ethias managed to roll out the WFH procedure very quickly. Ethias is also understanding towards employees with children who are working from home. The company takes a flexible approach to colleagues who have to collect their children from school or the nursery. If they have any problems with childcare, the Human Resources Department will advise and assist them.



A “Home Pack” for everyone who works from home

In addition to a laptop and headset, the necessary WFH equipment is provided to all employees concerned. Ethias also covers the cost of the internet connection at home. Employees were also able to purchase ergonomic office chairs at a reduced rate thanks to the group purchasing principle.

1 079 employees received a Home Pack in 2020

MS Teams as a new, common communication tool

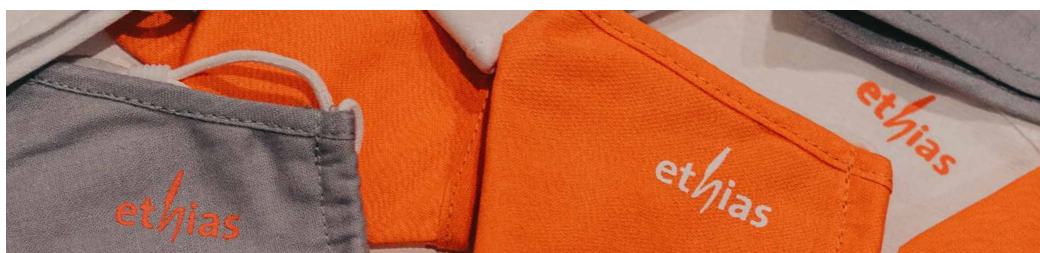
Teams, the MS Office365 tool for (video) calling and chatting, was put into use just before the start of full-time working from home. In 2020, however, the tool was rolled out further at breakneck speed. It has now become the preferred communication tool within Ethias. Employees were informed about its functioning via Oasis, the company intranet, and a “Lunch & Learn” session, among others.

Health measures

Ethias has also taken the necessary measures to protect the health of its employees.



Each employee received **5** verified and certified washable masks.



The necessary health and safety measures were also implemented **during the periods when the 50/50** principle was prevalent (working part-time at the office and part-time from home, with teams A and B) and for the limited number of colleagues who had to be present in the office. Disinfectant hand gel, signs for internal circulation, more intensive cleaning of the office environment ...

For the **regional offices**, these measures were extended to include plexiglass screens, pedal bins, adapted air ventilation, disposable masks, information and instruction signs, etc. To guarantee the safety of the office staff and to ensure business continuity, work in the offices is done by appointment (in teams A and B: 1 week in the office and 1 week working from home).

The necessary safety equipment was also provided for **inspectors**. Office workers, inspectors and colleagues of the DIM department can also be tested monthly, on a voluntary basis, for COVID-19.

Ring-Ring: everyone always in the know



When an emergency occurs, Ethias can communicate with its employees by sending a text message to their smartphones through the Ring-Ring service. The service is designed to deal with a variety of acute situations, such as buildings suddenly becoming inaccessible, demonstrations, bad weather conditions, etc. In 2020, Ring-Ring was initially rolled out to inform Ethias employees of urgent news concerning COVID-19, such as the start of full-time working from home.

Job security for all employees



During the pandemic, all Ethias employees were able to continue working. According to their competences, a number of employees, with reduced workload in such times, helped out other departments. They include the employees of the Events department and of the staff restaurant.

WFH bonus and meal vouchers



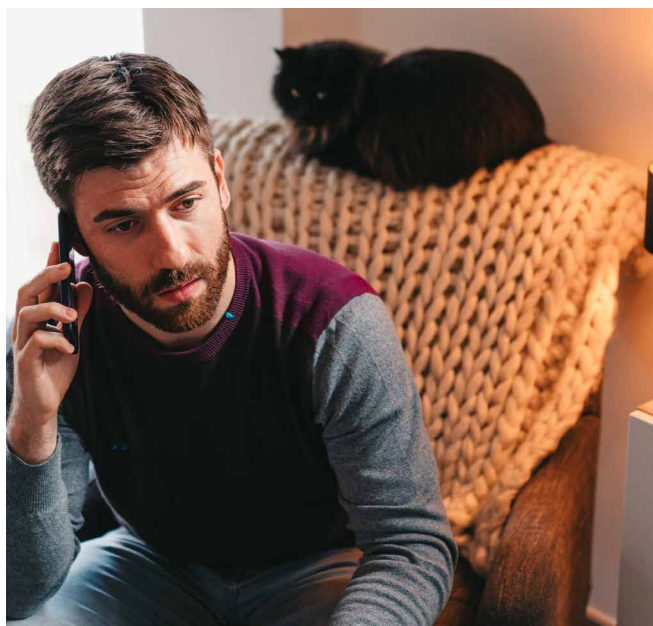
Working full-time from home entails additional costs for employees. Because Ethias is aware of this, it decided, in consultation with the trade unions, to provide meal vouchers (6 euros per working day) for all employees, plus a WFH compensation (a working-from-home premium of 2.5 euros per day worked).

Social elections

For the first time, the social elections took place entirely online: from campaigning to voting.



1,321 employees cast their vote
(850 for Liège, 471 for Hasselt)



PREVENTION OF PSYCHOSOCIAL RISKS

Psychosocial risks are permanently monitored at Ethias. However, the health crisis also brought additional challenges in terms of psychological well-being. Ethias has therefore deployed additional tools that its employees can use to remain mentally balanced during an exceptional period. Alongside the existing offer, Ethias now has an extensive range of tools.



MyMindScan



MyMindScan (MMS) is an online tool that maps out mental resilience. Using six scientifically validated factors, MyMindScan determines the changeable resilience and personal profile of each colleague. In a personal report, each colleague receives individual results and general advice, together with a “mental passport”. By regularly re-measuring the data, Ethias is able to monitor the evolution of the results of the teams and for the company as a whole. Naturally, everything is done in accordance with privacy guidelines and individual results remain extremely personal, unless with the employee’s explicit consent.

47% of employees participated in MyMindScan



My Workplace Options’ Hotline



Employees who – for example after their participation in MyMindScan - feel the need to talk to a psychologist, are offered the possibility to contact (anonymously) the hotline of the organization Workplace Options.

Through this helpline, professionals offer free psychological assistance in case of need for emotional support.

Furthermore, in 2020, the necessary preparations were made for the complete Employee Assistance Programme of Workplace Options, with an even wider range of services, such as practical help or coaching sessions (for both employees and their families).

Figures on the number of employees who have contacted the hotline are confidential.

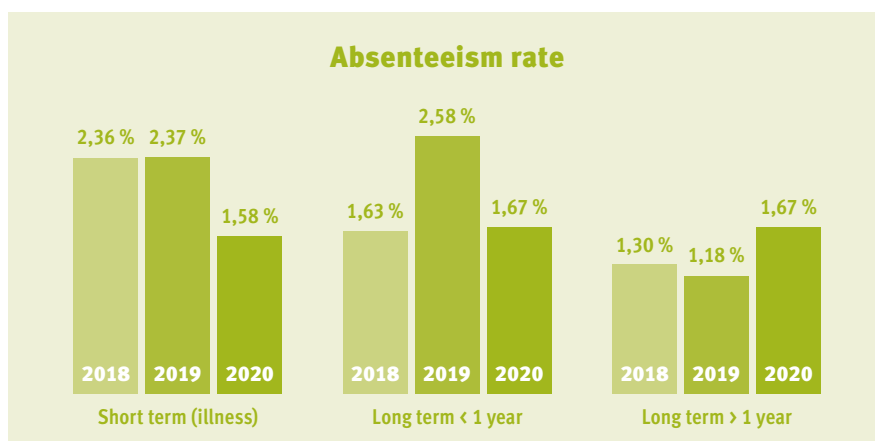


Reintegration

Since 2017, managers have been given training on burn-out prevention.

A formal and informal procedure for the reintegration of people with long-term illness was initiated, with the support of employee representative organizations, the Human Resources Department and the confidential counsellors

90 people were involved in the formal and informal reintegration procedure in 2020





Psychosocial Unit

The tasks of the psychosocial unit consist of receiving and listening to staff members, counselling people who want to find a balance between their private and professional life, following up and supporting long-term sick people (visits, contact, etc.) and helping them return to work, attending funerals of first-degree relatives of staff members (parent, child, spouse), organizing the annual flu vaccination campaign and organizing blood collections.

The psychosocial Unit has 6 members
(4 in Liège and 2 in Hasselt)

Blood donation

For many years, Ethias has been encouraging its employees to donate blood and giving them the time and space to do so. A blood donation was organized in Liège at the beginning of March 2020. Other actions could not take place due to the COVID-19 circumstances.

169 employees donated blood in Liège

Annual flu vaccination

Every year, all employees can be vaccinated against flu (influenza) free of charge. Because the Interministerial Conference on Public Health had decided to change its strategy for 2020, the flu vaccination campaign at Ethias was also adapted. Employees in a risk target group or over 50 years of age were given the opportunity to be vaccinated. They could make an appointment for this at Cohezio (External Service for Prevention and Protection at Work).

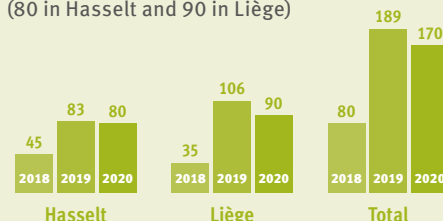
69 people were vaccinated
(free of charge) against influenza
(28 in Hasselt and 41 in Liège)



Confidential counsellors

The members of the psychosocial unit also act as confidential counsellors. They are competent to manage all psychosocial risks related to work. Their role is broad since they can help employees with all issues related to violence at work, moral or sexual harassment, but also those related to stress, burn-out, conflicts ...

170 people called on
a person of confidence in 2020
(80 in Hasselt and 90 in Liège)



3 new confidential counsellors
were appointed in 2020
(2 confidential counsellors
and the psychosocial advisor)

Psychosocial advisor

Since May 2020, Ethias has a psychosocial advisor. His position is new and in line with the desire to make Ethias a leading company where performance and well-being at work go hand in hand, in accordance with its values. Today, more than ever, it is important to take into account the impact that organizational changes and, in general, the different activities within Ethias can have on employees. The changing world of work, digitalization (in which Ethias is a leader), working from home (which changed dramatically in 2020) and the NWOWs (New Ways Of Working) are all profound changes for which some employees may need support.

In this respect, the psychosocial advisor helps **integrate the human dimension into all aspects of work and offers support in specific situations.**

The psychosocial advisor acts as a link between Human Resources, the internal and external prevention services (Cohezio), the social service and the confidential counsellors, but also includes change management, communication, relations with employee representatives.

The aim is to promote the well-being of all employees even more and to further develop the psychosocial unit.



Psychosocial Risk Survey

Between March and May 2020, a survey on psychosocial risks at work took place. It sought to find out what the employees consider to be points of attention for optimizing their mental well-being at work.

75% of staff participated in the Psychosocial Risk Survey

Concerning well-being at work, 2 out of 3 employees gave well-being at work a score between 7 and 10 and 90% gave an average to high score!

Concrete actions were set up, which are interwoven with the action points that resulted from the Employee Engagement Survey, such as the **Lunch & Learn** sessions. The Psychosocial Risk Survey also formed a good basis for the implementation of the “MyMindScan” and “My Workplace Options” tools.

First-aiders

Around fifty trained first-aiders are spread throughout the company.

The first-aid team provided assistance to **14 people in 2020** (2 in Hasselt and 12 in Liège)

There are **56 first-aiders at Ethias** (43 in Liège and 13 in Hasselt)

49 first-aiders followed an online theoretical refresher course (37 in Liège and 12 in Hasselt)

Unplug@ethias

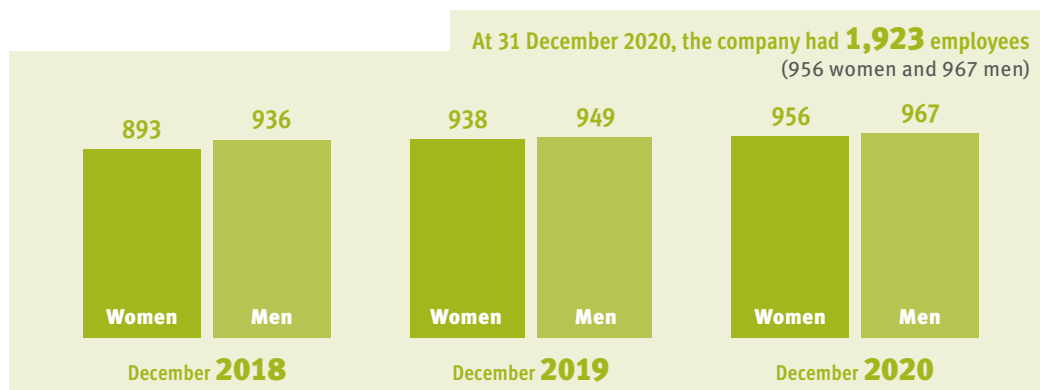
In order to prevent burn-out, a pilot project has been launched in Hasselt in collaboration with the Impulse Music School. Taking music lessons is often not compatible with work schedules or family life. With the help of Impulse, Ethias tries to solve the situation and wants to create a positive relationship between employer and employees by allowing them to clear their heads through music. While Ethias provides a pleasant room, Impulse takes care of the teachers, the instruments and the individual lesson programme based on the interests of each employee. In 2020 (due to the pandemic), lessons were only held in January. We are currently looking for a new music school.



SOCIAL COHESION (IN TIMES OF CORONA)

Ethias would be nothing without the strength and commitment of its 1,923 employees! For Ethias, social cohesion and the well-being of its staff are therefore an absolute priority, directly linked to its values and in line with its CSR commitments.

The cohesion of its working community has always been one of Ethias' strengths. Despite the necessary (and sometimes complex) working-from-home environment, Ethias has continued to **focus on dynamic, authentic and proactive internal communication** to strengthen its cohesion in these difficult times.



A respectful, collaborative and responsible social dialogue has always been part of Ethias' corporate culture. This social cohesion has allowed the company to go through a century of existence.



Home Together



We are in an exceptional period that undoubtedly raises many questions for the Ethias employees as well. Practical questions, but also concerns about full-time working from home, loneliness or COVID-related stress. Ethias wants its employees to know that they remain supported and, hence, is proactively looking for solutions to get through this period in the best possible way. That is why the Home Together campaign was set up. This is an internal communication campaign that offers numerous tools. It is an umbrella campaign, as the psychosocial unit, the Ethias Staff Association, the Human Resources department and the prevention advisors are all involved.

#HomeTogether, because Ethias wants everyone to feel at home within its company, always and everywhere!

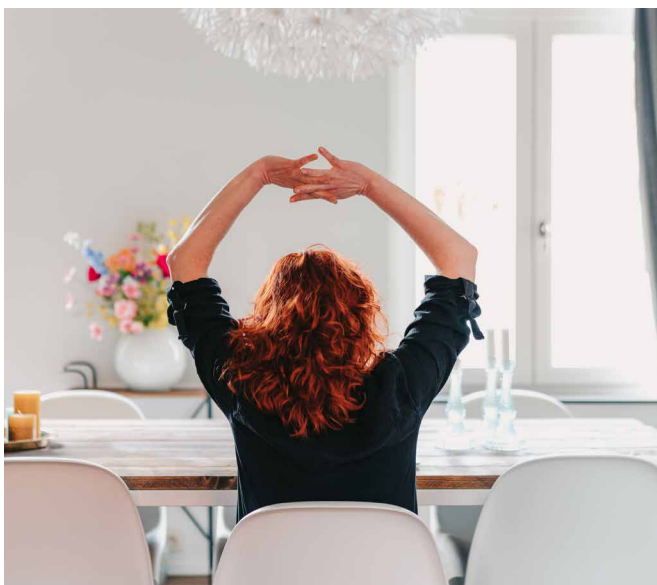


Increasing the well-being and involvement of all staff members has been the source of several innovations:



New Oasis

Oasis is the company intranet of Ethias. In 2020, it got a thorough makeover. Not only did it become more visually attractive, but also more convenient to use. In addition, a more contemporary communication style was chosen. Furthermore, interaction between colleagues is now possible thanks to the option of liking news items or leaving comments.



Good Morning & Coffee Break

Messages that appear on the company intranet under the name “Good Morning” or “Coffee Break” are blog posts in which a lighter theme related to Ethias is addressed. In this way, the communication team tried to provide a more light-hearted and cheerful note in a sometimes challenging period. Given its success, they will become permanent items.



G-ALL CEO

Ethias' social dialogue is one of the assets for the company's stability, growth and future. As part of this approach, the CEO sends out a general e-mail message to all his colleagues every Friday. To inform them about new developments and projects related to the company, but also to show his commitment and to give them a boost in these special times.

Lunch & Learn

In 2020, 12 Lunch & Learn sessions took place via MS Teams. During these informal learning moments at lunchtime, Ethias employees gave a presentation on a subject that they themselves are closely involved in, but which all their colleagues might find interesting to know more about. Hence, these L&L's have become interactive sessions where colleagues can ask questions via chat and give feedback.

The topics of 2020:

- Business automation for managers
- Efficient meetings
- Teams: Office365 tool
- OneNote: Office365 tool
- MyLearning: the Ethias training platform
- Stress management
- Stress management, ergonomics & relaxation
- 5S: a Japanese tidying method that Ethias has also used for its computer disks
- Project Management for Dummies
- Flora: the independent start-up of Ethias
- New Oasis: the new company intranet
- GDPR: how to report a privacy incident?

12 Lunch & Learn sessions were organized in 2020

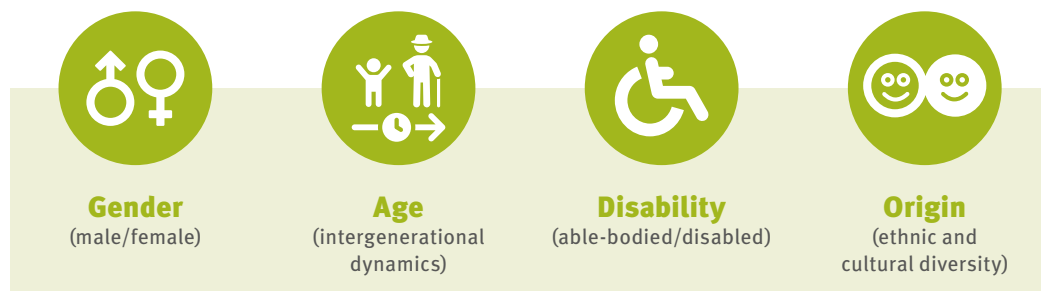
28 Ethias employees presented one or more sessions

97% of colleagues who attended a session indicated they were satisfied with it

80 participants per session on average
(French and Dutch combined)

DIVERSITY

At Ethias, diversity is based on the following 4 axes:



In 2006, Ethias adopted an **internal diversity charter**. The purpose of this charter is to prohibit any form of direct or indirect discrimination and to promote a proactive approach in this area. The concept of diversity includes several aspects such as: male/female, able-bodied/disabled, ethnic and cultural diversity, etc.

In 2007, this approach earned the company a **Diversity Label**. Actions in favour of different aspects of diversity (gender, disability & age) have been regularly put in place.



Gender (male/female)

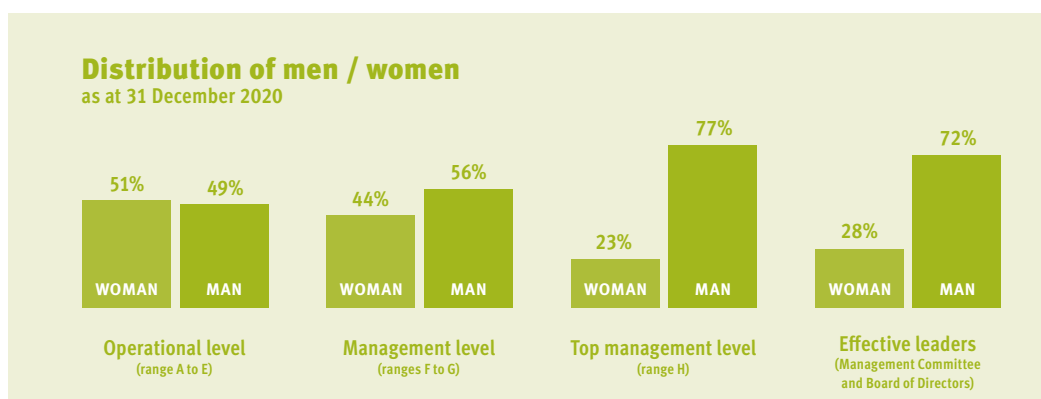


Women in Finance charter

The fight for gender equality has long ceased to be an exclusive women's issue. More and more companies are aware of the added value of female talent in the workplace, a wealth that is also directly reflected in companies' good results. However, there is still a lot of work to be done and that is why the financial sector wants to make extra efforts to promote gender equality.

To remain a strong and sustainable business, it is essential that men and women work together to promote an inclusive corporate culture and allow female talent to flourish. The Women in Finance Charter is an initiative of the financial sector (Belgian Financial Forum) and several institutions that founded the association Women in Finance Belgium. In this way, financial organizations are united, gender diversity is promoted and best practices can be shared.

On 17 June 2019, a number of Belgian financial companies signed this charter. As a socially responsible insurer, Ethias was among the first signatories.



On the basis of these measurements, we note that there is still an imbalance in the management functions within Ethias. The action plans for the coming years will gradually lead us to more equality at all levels.



Age (intergenerational dynamics)

Training courses on “Working longer, a challenge”



In order to best support employees throughout their careers, the Human Resources Department has set up individual training courses for the over-45s. The reflection conducted during these sessions helps people to measure whether they are satisfied with their current position, whether they wish to take on an additional challenge in another department or opt for a specific coaching.

An external coach helped the participants to ask themselves the right questions and find the best possible answers in small groups. The focus was on what the individual himself can do to progress as a staff member within Ethias.

56 employees followed this training in 2020

The average age at Ethias is 45 years and 8 months

YouthStart



YouthStart is a non-profit organization that stimulates self-confidence among young people in search of opportunities, offers them the possibility to make their dreams come true and promotes their professional integration. Each participant must develop his/her own business plan and present it at a Certification Day. Trainers, coming from the business world and eager to pass on their passion and experience, accompany them throughout the process. In 2018, Ethias entered into a three-year partnership with YouthStart.

In 2020, no certifications took place within the Ethias building due to the COVID-19 context.

However, Ethias continued to support YouthStart financially in 2020 so that this association could adapt its functioning to the new circumstances.

Disability (able-bodied/disabled)



Accessibility

Of our 37 regional offices, 32 are accessible to persons with reduced mobility (26 offices have an adapted layout and 6 are equipped with an access ramp or lift).

A personalized welcome is the first service provided to people with a disability:

- **General attitude and behaviour:** courtesy, a listening ear, friendliness (e.g. availability of a notebook and pen for people with hearing disabilities)
- **Mobility:** wide zones and walkways without obstacles
- **Interior design of premises:** seating, lighting, portals, sanitary facilities, etc

Partnership with Passwerk

Passwerk uses the qualities of people with autism spectrum profiles and normal abilities for software testing. Thanks to the professional support provided by job coaching, the limitations of employees with autism spectrum profiles are compensated for. Passwerk is a unique concept: it combines an economic dimension with a social dimension and offers them as added value to clients. Passwerk's organization adapts to the profile of its employees, not the other way round. Services, employees and their development occupy a central position in the company. Since 2020, Passwerk has been helping Ethias with operational work on the Ethias website, which is undergoing renovation.





Origin (ethnic and cultural diversity)

Duo for a job



Each mentor older than 50 years accompanies and advises a young person in his or her search for work. This provides the young person the opportunity to call on the mentor's years of professional experience. The intercultural and intergenerational dimension of this mentoring is one of its assets. In 2020, a number of duos remained active, in a way that was obviously in line with the COVID-19 measures. Ethias continued to support DUO for a Job financially in 2020 so that the association could adapt its operations to the new circumstances.



Be Face

On 5 March 2020, 12 staff members participated in an information session during which Be.Face explained its projects. However, the desired training sessions could not take place afterwards due to the lockdown measures. Ethias continued to support Be.Face financially in 2020 so that this association could adapt its functioning to the new circumstances.



Mentor2Work

This is an employment project of the Minority Forum in Flanders bringing jobseekers with qualifications or experience and from an immigrant background in contact with mentors.

3 employees were trained and became "Mentor2Work"

Fight against poverty



DigitalForYouth

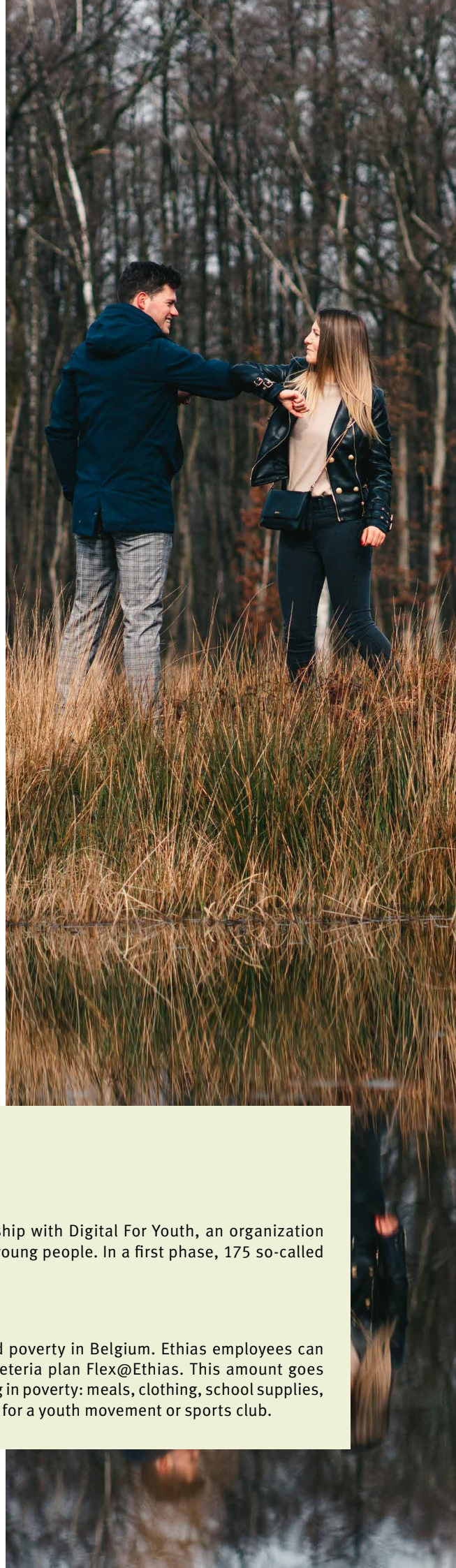
In 2020, Ethias launched a structural partnership with Digital For Youth, an organization committed to fighting digital exclusion among young people. In a first phase, 175 so-called end-of-life PCs were donated.



Pelicano



Pelicano is committed to the fight against child poverty in Belgium. Ethias employees can choose to donate a certain amount via the cafeteria plan Flex@Ethias. This amount goes towards the basic needs of Belgian children living in poverty: meals, clothing, school supplies, visits to the doctor, but also the registration fee for a youth movement or sports club.



REINVENTING HUMAN RESOURCES



Ethias is an attractive and dynamic employer. It offers its employees various opportunities to evolve in captivating and varied professions, far from insurance clichés, while promoting a work-life balance.

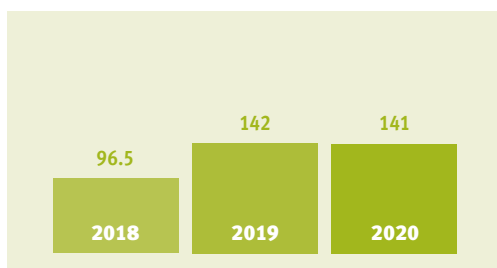
A fulfilling work environment, an open and humane corporate culture and values that reflect one's own: these are all criteria that play a decisive role in the decision of a future employee.

To ensure the enthusiasm and progress of its employees, Ethias has set up a series of tools to enable them to evolve in their profession.

Welcoming new employees

The Talent Managers also managed to recruit the right profiles in 2020. The application process was adapted to the circumstances and mainly took place via video conferencing.

141 people were hired in 2020
(75 women and 66 men)

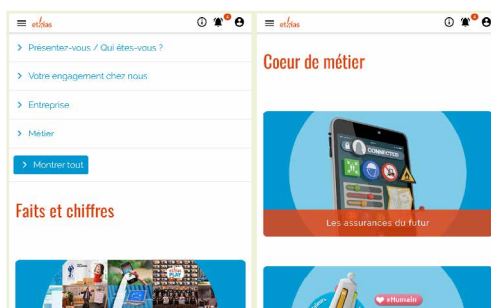


The application procedure for 64 new employees was conducted entirely remotely, via MS Teams



Onboarding app

COVID-19 also did not stop Ethias from warmly welcoming its new employees. As part of the company's **phygital** strategy, Ethias has implemented a new **onboarding** procedure that has been operational since April 2019. Through the **Onboarding app**, new employees can get to know the company better even before their first day at work has started. This way, they feel more involved and will be more productive in their job faster. On their first day at work, new employees are welcomed to the office by their manager or by a member of the HR department who hands them their Home Pack.

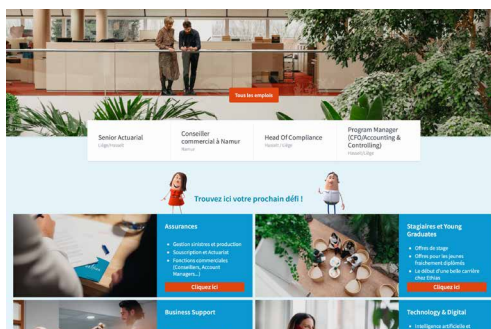


In 2020, employees who started their career at Ethias in 2019 or 2020 were polled on their feedback about the Onboarding app via a questionnaire. Based on these results, the procedure can be further improved.

119 employees who started in 2019 and 2020 completed the survey

New jobsite

A jobsite that should make it even more attractive for talent to apply for a job at Ethias: that was the objective in creating a new recruitment site. A clear structure, attractive layout, texts that reflect what Ethias stands for, pictures in which Ethias employees shine, a presentation of the application procedure and of the Talent Managers, and so on, were all used to achieve the intended result. The new jobsite was officially launched in April 2020.

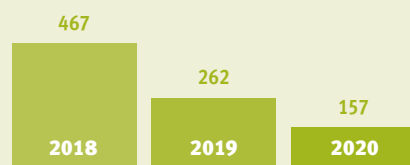


Talent Management Policy



In order to combine the right talent with the right function, Ethias continued in 2020 the Talent Management Policy that was initiated in 2017. Investment in training, including techniques, has been intensified and a specific change management programme has been put in place. To ensure the enthusiasm and progress of its employees, Ethias has set up a series of tools to enable them to evolve in their profession.

157 internal transfers thanks to the Talent Management policy in 2020



A reorganization process took place in 2018

Development of management competencies



In 2019, the Human Resources Department launched a new management skills development programme called **Leadership@Ethias**. In 2020, the course of the Operational Managers continued. However, the training was stopped prematurely due to the changed work situation because of the COVID-19 crisis. In 2021, they will pick it up again, together with the Field Managers.

Leadership@Ethias

This innovative approach stimulates the creation of a new culture in which managers can continue to develop as individuals and, at the same time, better equip themselves to lead the company in its evolution. For 2020, the Executive Committee has selected four key competencies that today's and tomorrow's managers must develop further:

- Business Minded
- Intellectual Agility
- Inspiring Leadership
- Enabling Change

These competencies should enable them to optimally support the roll-out of the Ethias strategy.

85 managers took part in the management development programme in 2020

MyLearning: easier to use



In order to adapt to a constantly changing profession, to promote professional development and to encourage internal mobility, it is essential to provide our employees with effective tools that meet their expectations.

1 971 e-learning followed in 2020

In order to optimize the offer and access to training, the new MyLearning platform was inaugurated in 2019. In 2020, the use of the tool was simplified. The homepage is more conveniently arranged and employees can see the information that is of interest to them at a glance. Open access was also created for certain e-learning. In this way, training courses are now literally more accessible for everyone.

10,11h: average number of training hours per employee in 2020 (8,89h in 2019)

Employee Engagement Survey: for a better working environment

In 2019, Ethias employees took part in the first Employee Engagement Survey. Their Engagement and Enablement (viz. the resources the working environment provides to do the job well) were assessed. Points for improvement are opportunities for Ethias to grow, to optimize the working environment for its colleagues - the driving force of the company.

The results translated into, among other things:

- The weekly e-mail message from the CEO to all colleagues (G-all CEO)
- The Lunch & Learn sessions
- Open access for certain e-learning on the training platform MyLearning
- A Wall Of Fame in the Sales North department. During the monthly meetings, a number of successes are projected and discussed virtually



PLAN “ETHIAS TOMORROW, MOVE TOGETHER”



Companies must be able to adapt quickly and continuously, both in a constantly changing environment (new players, new insurance models, technological developments, new client habits, etc.) and in an increasingly demanding competitive and regulatory environment.

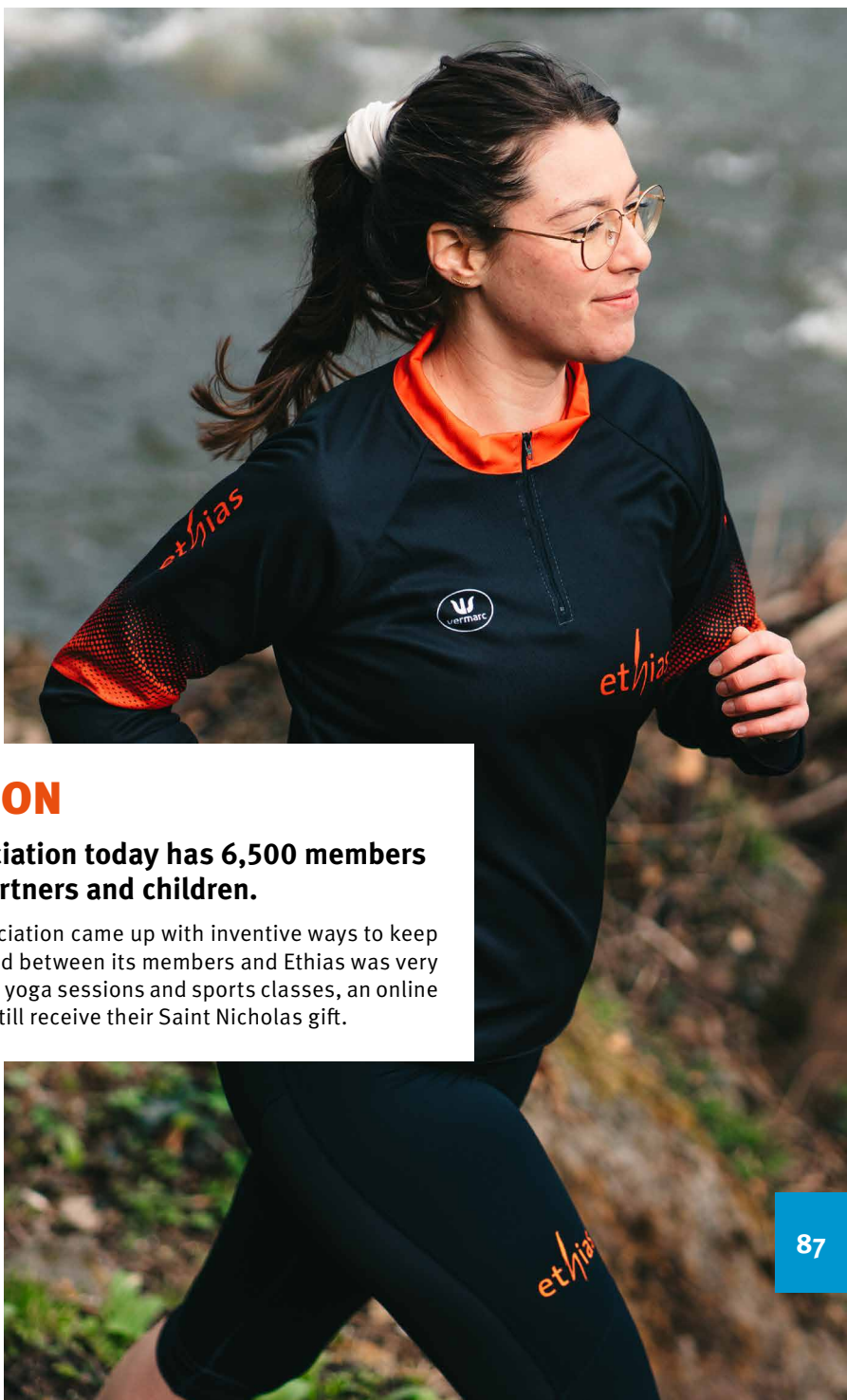
Faced with these observations, and to meet our strategic ambitions, the Ethias organization was redesigned in 2019. This transformation plan, which continues in 2020, has been named “Ethias Tomorrow, Move Together” and aims to strengthen the organization to achieve its ambitions as the N° 1 Direct insurer, the N° 1 Digital insurer and the N° 1 insurer of the Public Sector.

Field Managers



The step towards “tomorrow” in 2020 was the implementation of the **Field Manager** role. It combines and replaces several other functions, such as the functions of “Teamleader” and “Teamcoach”. The **people management** aspect is now even more central. The colleagues involved can count on the guidance of the Human Resources Department in this change. This is partly thanks to the leadership programme Leadership@Ethias, which included a special training course for Field Managers. The project was launched in 2020.

131 Field Managers were involved in the start-up



ETHIAS STAFF ASSOCIATION

Founded in 1959, the Ethias Staff Association today has 6,500 members (active and retired colleagues), their partners and children.

During the lockdown period of 2020, the Staff Association came up with inventive ways to keep its activities going. Its role in strengthening the bond between its members and Ethias was very important in these special times. It organized virtual yoga sessions and sports classes, an online quiz and made sure staff members’ children could still receive their Saint Nicholas gift.



PROFITABILITY

OUR ACTIVITIES
AT THE SERVICE
OF OUR CLIENTS



OFFERING OUR POLICYHOLDERS THE POSSIBILITY TO RELY ON SOMEONE CLOSE TO THEM

From the first wave, a series of actions were taken according to the needs and requirements, in a fast and specific way.

Providing peace of mind to private individuals, self-employed and liberal professions

Ethias has created a platform with virtual advisors and a live chat dedicated specifically to COVID-19 (accessible from 8 a.m. to 8 p.m. on weekdays and from 8:30 a.m. to 12:30 p.m. on Saturdays) in order to help as best as possible during this uncertain period.

Measures to facilitate the payment of premiums due in these difficult months were also quickly offered:

- Facilitation measures for payment deadlines by means of a message systematically accompanying the dispatch of expiration notices
- Suspension of all registered premium reminders
- Adaptation of the conditions of the “Car” contract beyond the due dates in order to reduce the premium: switch to the “less than 10,000 km” rate, reduction of the Omnium formula, suspension of certain optional guarantees, etc.

In addition, concrete measures were put in place to support, help and protect each insured person:

Cancellation Insurance: financial compensation for the whole portfolio. Flat-rate compensation for the reduction of the “travel” risk during the lockdown period and during the restrictions of the deconfinement period.

- Temporary formula: printing of a voucher valid for two years and corresponding to the premium paid for a trip scheduled between 13 March 2020 and the end of the measures prohibiting the originally planned trip
- Annual formula: two-month discount on the next premium when renewing the contract

Car Insurance: financial compensation for clients in temporary COVID unemployment. A discount of two months on the annual premium (Civil Liability and additional guarantees included) applicable to the next premium when renewing the contract.

Health care

- Elimination of pre-hospitalization periods
- Elimination of the waiting period for new contracts taken out before COVID-19

Continuity in collective coverages taken out by the employer on behalf of employees for persons in temporary unemployment

The measures relating to rental liability and car insurance have also been extended to the **self-employed and liberal professions**, provided that the persons who apply to us can provide proof that they benefit from a specific support measure put in place by a (regional) government.



Supporting public sector commitment and volunteer involvement

Policyholders have been able to benefit from regularisations in Workers' Compensation / Civil Liability, and car fleet premiums have been adjusted in the event of vehicle immobilisation during lockdown periods

Civil Liability and Bodily Injury: free liability coverage for volunteers in the context of activities organized by the insured entity and related to the assistance provided in the framework of the COVID-19 crisis, as well as the consequences of any bodily injury that may occur to them (on the way or during the activities), excluding the consequences of a COVID-19 infection.

Civil Liability coverage was extended during the holiday period, when schools, which are normally closed at that time, ensured continuity in accordance with government measures for the COVID-19 crisis. The coverage of this insurance is also acquired free of charge for pupils from other schools and for children of teaching or supervising staff who accompany their parents and who could be victims of a physical accident.

Guarantee extension: teaching staff will continue to be covered by the school's liability insurance for any damage they might cause to third parties:

- In the context of distance learning
- In the context of assignments they would carry out on behalf of the school with the school's consent

Vaccination centres

In 2021, Ethias will also cover the Civil Liability and Bodily Injury of professionals and volunteers mobilized in the framework of the implementation of the vaccination plan.



Supporting the hospital sector

Various free extensions of coverage have been granted to hospital staff and volunteers:

- **Civil Liability / Bodily Injury / Professional Liability** for all volunteers called upon, including medical and nursing students and retired doctors. This means that Ethias covers, free of charge, the liability that volunteers might incur in the framework of these activities organized by the insured entity
- **Medical Liability:** under the "Professional Civil Liability" contracts, the coverages apply when the insured persons are required to work outside their usual specializations and/or skills. Activities related to teleconsultation are also covered
- **Seconded personnel:** staff members who are seconded to other activities continue to benefit from the various insurance coverages taken out
- **Additional extension:** the guarantee extensions for hospitals also apply to residential care centres, home care organizations (family assistance & home nursing) and to psychiatric hospitals

Supporting the education sector

Civil Liability coverage was extended during the holiday period, when schools, which are normally closed at that time, ensured continuity in accordance with government measures for the COVID-19 crisis.

- The coverage of this insurance is also acquired free of charge for pupils from other schools and for children of teaching or supervising staff who accompany their parents and who could be victims of a physical accident
- **Guarantee extension:** teaching staff will continue to be covered by the school's liability insurance for any damage they might cause to third parties: in the context of distance learning and in the context of assignments they would carry out on behalf of the school with the school's consent

Supporting sports federations

During the second wave, Ethias decided to:

- Reduce by 25% the cost of **sports insurance** for federations (bodily injury policies)
- Extend the **Civil Liability and Bodily Injury guarantees** for school policies to cover distance learning courses
- Extend the **Bodily Injury coverage** for students taking a physical education class online with their teacher and for exercises required in this context

OUR PRODUCTS



Ethias' ambition is to have a positive impact on Belgian society, to contribute to a greener Belgium and to influence societal behaviour in terms of mobility.

Ethias is fully engaged in the energy transition and rewards responsible behaviour through all its insurance products (from mobility over health to housing) and through all its services. Some concrete examples:

- Insurance "Less than 10,000 km"
- Specific tariff for green vehicles
- Specific offer "Ethias Young Drivers"
- Affordable basic insurances for more solidarity
- Soft mobility covered free of charge in the Family insurance
- Or the automatic coverage of eco-installations (solar panels, photovoltaic panels, heat pump, etc.) included in the Home insurance

In addition to the actions related to the COVID-19 crisis (see page 29) 2020 was once again a dynamic year for our CSR approach, with numerous new products and services.

For our retail clients

Health

Our wish? To complete the range of healthcare products to ensure affordable and accessible care for all.

Ethias Hospi Quality

A brand new hospitalization insurance that meets the needs of one Belgian in two!

The COVID-19 crisis once again demonstrates the importance of quality hospital insurance. Being able to recover without having to think about the hospital bill: a much needed peace of mind in these uncertain times. That is why Ethias has launched "Hospi Quality": a hospital insurance at a low price with quality coverage.

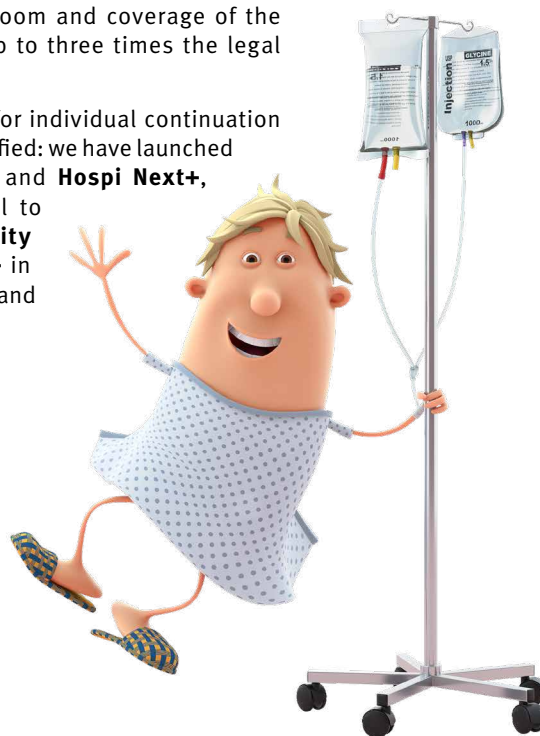
In the event of intervention by the health insurance fund, Ethias will always bear the following costs:

- Hospitalization costs in a double room following an accident, illness, pregnancy or childbirth
- Medical expenses before and after hospitalization, provided they are directly related to the hospitalization (30 days before and 60 days after)
- Medical expenses relating to 33 serious illnesses without the need for hospitalization. Ethias will also reimburse additional medical expenses such as homeopathic treatments, pharmaceutical products and non-reimbursable medicines related to any of the 33 serious illnesses listed above.
- It is also important to note that there is no deductible

Innovative solution thanks to a unique "Wild Card" system

What makes "Hospi Quality" so innovative is its reward system that grants a wild card (called "Joker" in Belgium) to each insured who remains covered for one year without interruption. The insured can then use this wild card in case of hospitalization of more than one day following a serious illness: he/she will then benefit from a stay in a single room and coverage of the fee supplements up to three times the legal intervention.

The product range for individual continuation has also been simplified: we have launched **Ethias Hospi Next** and **Hospi Next+**, which are identical to **Ethias Hospi Quality** and **Hospi Quality+** in terms of guarantees and services.



Car

Driver's Insurance

In October 2020, our Driver's Insurance coverage was voted **"Best of the Test"** by **Test-Achats**! This means:

- Best of the test
- Top quality
- Best prize

Its recognized qualities are:

- The lowest (and fixed) price, also for young people under 30 years old with a driving licence since 4 years: flat-rate premium of 46 euros
- The highest intervention ceiling: 1,500,000 euros
- No deductible and no threshold for non-material damage and professional damage
- No penalty for driving with worn tires
- Coverage for young people
- No exclusion if the safety belt is not used

Legal Aid

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.

Property

Home in One

For most clients, it is a hassle to search for the most advantageous interest rate when buying a house and to negotiate afterwards about the house insurance and the outstanding balance insurance. With Home In One - in cooperation with Keytrade Bank - the client can subscribe to a total package, and this entirely online. When taking out an outstanding balance insurance and fire insurance, the client also receives a 15% five-year discount on his/her fire insurance policy.

Whestia

Through its Whestia label for outstanding balance insurance, Ethias works with the Walloon Housing Fund and with various agents who market social loans in Wallonia. Whestia is the brand name under which Ethias SA markets the outstanding balance insurance: directly, through the Housing Fund for Large Families in Wallonia (FLW) and through the offices of the Walloon Social Credit Society (SWCS).



Woonhaven Antwerpen

Ethias is a partner of **Woonhaven Antwerpen - the largest social housing company in Flanders - through the awarding of a public tender**. Social housing tenants (via Woonhaven Antwerpen) will be offered an insurance package consisting of a tenant insurance, a family insurance and a possible extension to a theft insurance. Through its insurance products, Ethias aims to protect the resources of social housing tenants so that they do not find themselves in a situation where they have to deal with significant unforeseen expenses. In the meantime, the cooperation has already been extended to 17 other social housing companies.

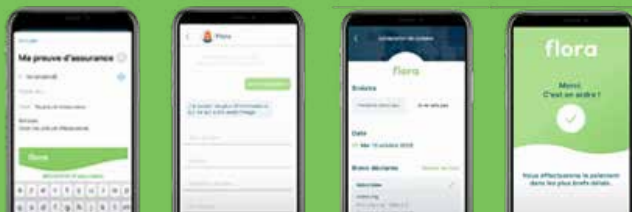
flora

In September 2020, Ethias launched Flora: the first 100% digital Insurtech/neo-insurance in Belgium across the entire value chain.

From the subscription process to the declaration and settlement of a claim: all relations with the insured are made through the Flora app. Flora positions itself as a complementary brand for Ethias: it is aimed at anyone who wants to manage their daily life simply and efficiently via their smartphone.

The adventure began with the marketing of the **tenant insurance**, but Flora's ambition is to launch other products in 2021!

With the emergence of new insurtech players on the European insurance market, such as Luko and Lemonade, Ethias wants to test - thanks to Flora - a new distribution channel, new technologies but also new working methods on the market, in a laboratory mode.



For our public sector & corporate clients



Ethias Mobility & More

An innovative insurance solution that employers can offer to their employees (in whole or in part) to ensure their mobility on the way to and from work and during business travel.

All forms of mobility are covered, from (electric) bicycles to speed pedelecs, from (electric) scooters to public transport, including cars and motorcycles used in the context of a sharing platform or in the event of a wildcat strike or unexpected cancellation of public transport. This insurance encourages our clients' employees to use alternative transport means to the car, while giving them peace of mind in the event of a problem.

Clients have the possibility to choose among seven guarantees (Assistance, Omnium of the means of transport, Personal Belongings, Bodily Injury, Civil Liability, Legal Protection and Omnium "mission"), but only if a minimum of two guarantees are subscribed.

In addition, our Mobility & More product has been extended to include Omnium insurance for employees' personal vehicles used for travel on behalf of their employer. The vehicles used by employees on business trips are thus insured against theft, fire, property damage and glass breakage.

This product is mainly intended for private companies with at least 10 FTEs.

We wanted to offer a better service to our clients by providing them with a "**Mobility & More App**" in order to manage roadside assistance interventions more quickly.

This app is made available to policyholders so as to facilitate the speed and accessibility of the Assistance service in the event of a breakdown or accident. It offers a geolocation service to policyholders and breakdown services.

With this product, Ethias anticipates societal changes in the mobility landscape and thus contributes to a greener Belgium with fewer traffic jams.

ETHIAS MOBILITY & MORE



All Risks - Electronic equipment

As part of the group's strategy, Ethias has developed synergies with NRB and redesigned its commercial approach, in particular for the distribution of the "All Risks - Electronic equipment" product. This product, offered through the NRB group, insures all computer and electronic equipment belonging to an organization or made available to it, against material damage and loss caused by theft, fire, short-circuiting, water damage, malicious intent or vandalism, negligence or inexperience on the part of staff members or third parties. This product is intended for any Belgian public entity or company whose registered office is located in Belgium.

Ethias Cyber protection

This insurance covers the harmful consequences for the policyholder or third parties of a cyber event (malware, cyber attack, human error, system failure, denial of service or unauthorized use of the IT system). It includes:

- "Own damage" section (covering, in particular, the costs of reconstituting data, the costs of identifying the cyber event and the costs of restoring the computer system)
- "Civil Liability" section (covering, in particular, personal data or third-party data breaches, defence costs following an official investigation, financial penalties imposed by an administrative authority)
- "Reputation protection" cover (covering the fees and expenses of an emergency and crisis management consultant to prevent or limit damage to the policyholder's reputation following a claim falling under the "own damage" or "civil liability" sections).
- Optional "Legal Aid" coverage

Ethias Cyber Protection provides 24/7 assistance in case of a cyber event and offers our clients the support of a network of experts and specialized lawyers. This service is organized in collaboration with our partner Crawford & Company.

As part of the Ethias/NRB group strategy, the commercial approach has been redesigned to distribute the Ethias Cyber Protection product with the products offered by Civadis and Cevi. This distribution model will soon integrate Logins and Computerland.

Guaranteed Income and Collective Disability Insurance

In 2020, we adapted the general and specific terms of our **Guaranteed Income** product, marketed in Branch 2, and of our **Collective Disability Insurance** product, marketed in Branch 21 as a complement to a main supplementary pension insurance.

Following this revision, two improvements for the benefit of our policyholders can be highlighted.

From now on, our benefits will be paid automatically until the insured person's actual retirement date, but no later than the statutory pension age. This change is a response to a need created by the change in legislation, which no longer allows payment of the supplementary pension until the time of retirement. Our general terms now provide for intervention in the event of psychological or mental illness over a period of 24 months.

OUR SERVICES

Ethias has developed several innovative services by capitalizing on the complementary skills present within its subsidiaries NRB (IT) and IMA Benelux (Assistance) with the support of Ethias Services.

As part of its group strategy, Ethias Services supports Ethias in developing and marketing new services and building tomorrow's market with solid and coherent ecosystems.

In order to achieve its ambitions, Ethias Services has provided itself with the necessary financial resources and additional personnel.

Helping our clients (and not only our clients)

App4You



App4You is a responsive and innovative solidarity web platform that is accessible to all since April 20, 2020. It allows volunteers to help other citizens in need.

Very simple to operate and created in only 3 weeks with the collaboration of NRB, the platform has been visited more than 20,000 times during the first lockdown period and remains active since then:

- 100% free of charge
- **For everyone**, Ethias clients and non-clients
- **Very easy to use and to access** via the address <https://app4you.be>
- In a few clicks, users can **create their profile and offer or request a personal service** (shopping, distance learning/coaching, etc.)
- Easy management of offers/requests
- Free coverage in Civil Liability and Bodily Injury for volunteers who offer their help



APP4YOU, c'est quoi?

C'est une plateforme mise à votre disposition **gratuitement** pour favoriser l'entraide bénévole entre citoyens (dès 16 ans, avec accord des parents). Elle vous permet de **demandeur ou d'offrir un service** à une personne près de chez vous.

Ethias est impressionnée par l'élan de solidarité qui se manifeste à travers tout le pays afin de faire face à la crise sanitaire engendrée par le Covid 19. Ethias invite l'ensemble des citoyens qui partagent avec elle les valeurs de solidarité, d'engagement et d'humanisme, à utiliser APP4YOU, dans le respect des mesures de confinement qui sont imposées par les autorités.

Care4You



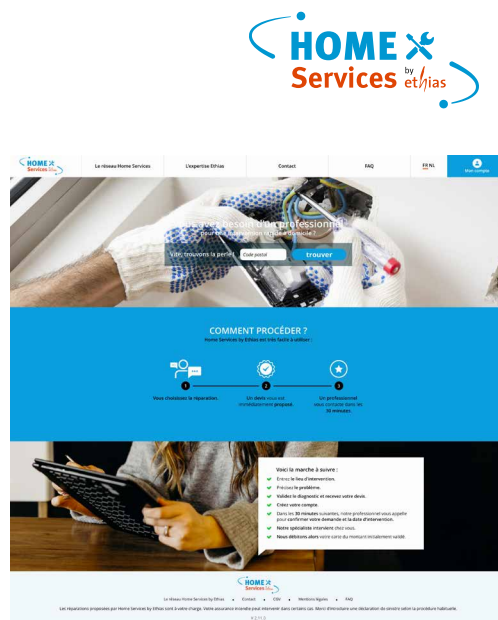
Care4You is a platform that is made available free of charge to health care professionals and that responds to the new habits adopted by patients (during the first phase of the health crisis, doctors gave more than 3 million telephone consultations). Thanks to videoconferencing, the tool provides the opportunity to make appointments and manage consultations remotely with the patient. The platform is fully secured through identification via the *itsme* application. It is accessible on smartphone, tablet and computer.

Medappcare

This application allows citizens to have a clear view on the quality and reliability of the many health applications available.

Home Services by Ethias

A digital platform that enables users (Ethias clients & non-clients) to order services for making small repairs or doing work in their house (various services relating to heating, locksmithing, sanitary fittings and plumbing, electricity, woodwork ...).



ethias

More specifically in assistance



Four new features are available since the implementation of our partnership with IMA Benelux in April 2020. #Digital #Services #Innovation

Self: our new digital roadside assistance tool

Self allows its users to submit their request for roadside assistance directly online using their smartphone. Clients who call our Assistance service can opt for this digital solution by simply selecting it in the IVR menu. They then complete their intervention request in a few clicks. Since its launch on 15 December 2020, 8% of clients who rely on Ethias Assistance have chosen this new communication channel to contact our services.

Online follow-up

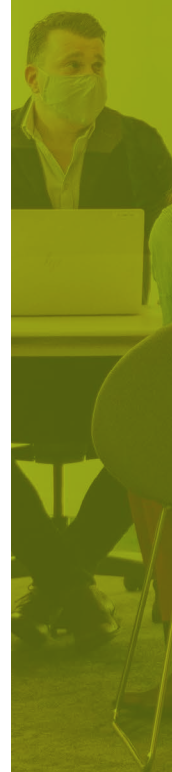
As soon as an Assistance file is opened, our clients can follow its progress (contact details of the breakdown mechanic who has taken charge of the vehicle, place of collection, etc.) in complete transparency and directly with their smartphone.

Geolocation of the breakdown mechanic

Only available in Belgium, this feature offered by our partner and service provider IMA allows our clients to follow their breakdown mechanic and the arrival time on site.

Geolocation of the client

When clients with car trouble cannot give the exact address of their location, one click is all it takes to send us their exact GPS coordinates.



OUR PREVENTION & RISK MANAGEMENT SERVICES

At the heart of our business is protecting the health and physical integrity of individuals and safeguarding the goods of clients.

This is why, in addition to compensation, Ethias offers the Ethias Services catalogue and thus undertakes multiple audit, prevention, training and support actions in areas such as **health, psychosocial risks, fire, pensions** and **risk management**.



ethias
SERVICES



Supporting employers during the COVID-19 crisis

Through education and prevention advice, employers could be made **aware of the risks and appropriate measures** to protect their staff from the COVID-19 risk:

- Correct use of gloves and masks
- Measures to ensure social distancing at work
- Organization and psychosocial aspects of working from home
- Special situation of first-aiders and volunteers

Publi-Plan

This study aims at providing a **clear picture of the future salary costs and pension commitments of statutory and contractual staff** working in public institutions. This picture is the result of a series of simulations that take into account the evolution of the staff, the financial impact of the appointment policy, the extent of future recruitments, the impact of a supplementary pension plan, etc.

Fire

Fire prevention in the workplace, **audit** (building sanitation, data), **training** (fire & explosion prevention, fire engine driver), drafting of accident scenarios and exercises on various topics, site monitoring, etc.

Health & psychosocial risks

Accompanying an employee in burnout or on long-term absence with a view to a return to work, support for change, learning to express oneself in public, **audits** (work environment, human resources management, psychosocial risks in companies), **assistance** (energy management to avoid exhaustion, private/work life balance, interpersonal conflict management, development of ethical management), etc.

Risk Management

Risk **mapping**, specific risk and security **audits**, internal control specialist certification, internal control assessment/audit, public sector accounting reform, business continuity plan, etc.

Personalized guidance

Ethias also offers personalized support through prevention experts in various fields:

- Protection of individuals (accidents at work, well-being at work, school accidents ...)
- Protection of goods and services (car, theft, fire, floods ...)
- Protection of information





eXia

The partnership with eXia (a VUB spin-off working on the development of sensor technology to prevent blind spot accidents) has been intensified with the aim of achieving a mature and effective system by 2021.



Soft Mobility

In recent years, bicycle travel has increased significantly. Simultaneously, there has been an increase in the number of accidents. These often result in serious injuries due to the vulnerability of the victim. Ethias not only provides advice, but also actively promotes targeted training courses that support employers in accident prevention in the context of soft mobility.

Defensive driving awareness in collaboration with our partners

For Emergency and Police Zones: specific training on “priority driving” so that intervention personnel can carry out their tasks in complete safety.

Manual handling of loads

Ethias has set up a “train-the-trainer” course designed not only to train employees but also to enable employers to have competent people within their organization who can coach their employees on a long-term basis.

Playground safety

Through training, awareness-raising and fact/analysis sheets, playground managers can optimize the safety of their sites.

Prevention tailored to the smallest

To make evacuation in the event of fire a child’s play, Ethias has developed a creative and child-friendly evacuation plan for local playgrounds, in collaboration with the town of Blankenberge. This initiative will serve as a pilot project and will be rolled out in all Belgian cities and towns insured by Ethias.

Ethias Prevention Reporter

Application that offers digital assistance to improve prevention reporting (geolocation, risk/claim classification, voice recorder/recognition system, photo & video recording, etc.).

Fleet Reporting

Analytical tool for claims related to a car fleet. This tool helps to raise awareness among fleet managers and beneficiaries of a vehicle and to implement an appropriate prevention policy.

Online documentation

Online publication of magazines, information sheets, a prevention blog, awareness-raising videos and clients testimonials. All these elements help to create a direct link with policyholders, while remaining attentive to their needs.

www.ethias.be/blog-fr

Personalized guidance for a better professional reintegration

Ethias wants to be a facilitator in the daily management of claims files, but also in more complex phases such as professional reintegration.

A Proximity Intervention Unit has been set up to meet this need. So clients can count on Ethias to support them with targeted services when they need them most.



How?

- By ensuring good communication between all parties
- If necessary, by offering various forms of support: psychological follow-up, support from a social worker, a nutrition coach, assistance with budget management, etc
- By establishing a life project and job coaching
- By setting up training plans
- By ensuring follow-up with the company doctor
- By intervening immediately in crisis situations
- ...

To set up this Proximity Intervention Unit, Ethias Services has called upon the company WorkPlace Options, which specializes in integrated solutions for employee well-being.

44 cases have been handled
since its launch, in just 3 months

DIRECT INSURER: PROXIMITY HAS NEVER BEEN SO PRECIOUS!



Ethias is close to its clients

Proximity, service and empathy are more than ever the leitmotifs that Ethias has put into practice on a daily basis through all its actions during this exceptional year. A year in which the need for reassurance has never been so essential.

In 2020, **1 900** employees were ready to serve **1 200 000** clients !



Our phygital model

Halfway between digital and human contact, Ethias offers the best of both worlds with a phygital approach to ensure a unique, simple, efficient and human experience.

Clients choose the channel that suits them best to contact us:

37 offices covering the whole of Belgium with the possibility of **making an appointment on-site** or by **video conference**

2 Customers Centers

2 "Claims Mobility" services

77 sales representatives serving public authorities, the private sector and partner brokers

1 website

2 Client Space

1 live chat

1 virtual assistant "Mathias"

1 mobile claims reporting app

6 social networks

Maintaining relationships

To maintain ties with its clients, Ethias set up several communication flows in 2020 under the name of **Journeys**.

Welcome: welcome email and gift to new clients. The gift? Some free photos that can be printed via the Stampix website. To reduce the footprint of these prints, Ethias participates in an ongoing project by Stampix: Weforest. As compensation for the photo prints, trees will be planted in Zambia.

Information according to the evolution of the client's situation:

- **Wild card:** e-mail to congratulate the client on his/her careful driving behaviour and to inform him/her of the receipt of a "wild card" at the next due date
- **Bonus-Malus:** e-mail to congratulate the client on his/her careful driving behaviour and to inform him/her of a premium reduction at the next due date
- **"7-year old car":** the age of 7 years is a critical period for a car. Keep or replace? Clients will receive an e-mail with advice

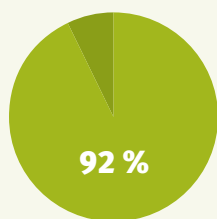
Farewell: an e-mail to thank the client and say goodbye. We also ask for feedback via a survey.

Ethias' driving force: client satisfaction!

To obtain the satisfaction of its clients, Ethias has mapped out their main expectations:

- To deal with claims quickly
- Being able to rely on a competent contact person
- To receive clear and simple information
- To have the most comprehensive coverage available

Satisfaction measured among B2C clients¹

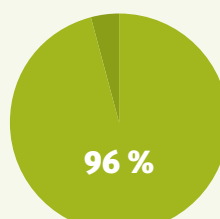


The NPS study conducted in 2020 shows an **overall satisfaction rate** with Ethias of 92 %.



After having been in contact with Ethias, **more than 2 out of 3 clients would recommend us to their family and friends**

Satisfaction measured among B2B clients²



Overall client satisfaction is also very high (96%).



9 out of 10 clients consider Ethias as their preferred partner in the insurance field

Ethias is perceived as an easily accessible, solution-oriented player offering an efficient service. The relational aspect, particularly through our network of inspectors, is also one of our greatest strengths. Finally, our Belgian identity and anchorage are highlighted and appreciated by our clients.

¹ These indicators come from the NPS (Net Promoter Score) project, a tool set up in 2014 to measure the satisfaction and recommendation rate of private individuals (clients & prospects) who have had contact with Ethias. Sample 2020: 17,972 clients.

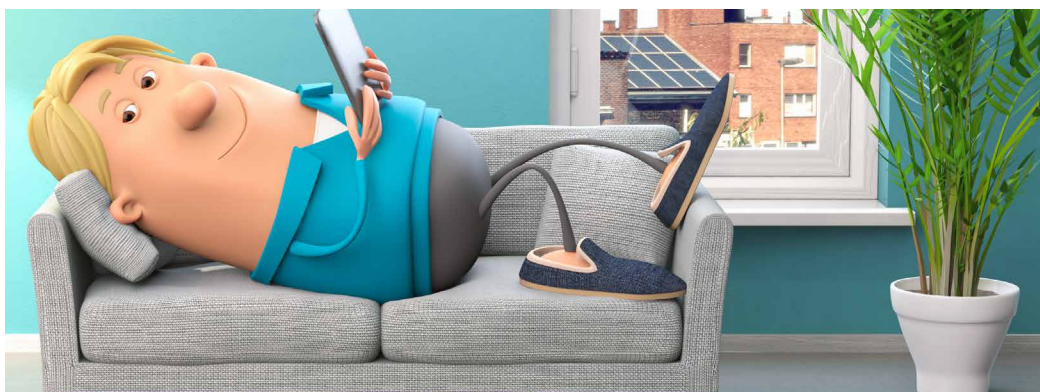
² These indicators come from the "Satisfaction & Moments of Truth" study conducted amongst public bodies. This study was set up in 2011 and is renewed every 2-3 years. Sample 2019: 236 B2B clients.



Digital: accessible anywhere, anytime

As soon as our clients feel the need - at home in their sofa, on public transport or at work - they can contact Ethias via its digital services.

They can **quickly** get help or information, take out insurance contracts **easily** and **directly** online and be informed of the progress of a claim **at any time**.



Espace Client

8



True to its position as Belgian market leader in online insurance sales, Ethias is constantly innovating in this field.

Every year, new features or new services are proposed to make life easier for the client. Here are some recent examples:

- The **brand new Client Space**, launched in 2018, with easier access and smoother navigation. In particular, it allows clients to submit claims declarations, obtain duplicates (green card, contract ...) and certificates (of claims, rental liability ...), manage invoices, make appointments for an office visit ...
- In 2019, **Myclaims Workers' Compensation** was added to the Client Space. At any time, it offers victims of an occupational accident, insured with Ethias, online access to their claims. They can follow the progress of their file digitally, manage and check the payment of the compensation paid and communicate with Ethias. This space also allows victims to send or receive the documents necessary for the follow-up of their case
- **MyEthias Health Care**, launched in 2017, is now an integral part of the Client Space. It is an online platform that allows all beneficiaries of individual or group hospitalization insurances to follow up and manage their health care files
- On the B2B side, **Ethias Connect** provides even more secure access to the management of group contracts, and the invoicing application allows clients to consult and manage invoices
- **AssurPharma** enables the electronic transmission of pharmaceutical expenses for both Health Care and Workers' Compensation files. AssurPharma is the result of a partnership between insurers and pharmacists to make life easier for users
- **AssurKINE** is a third-party payment system, launched in 2017, for physiotherapy care in the event of occupational accidents
- **Ethias Pension Corner** is an online platform specialized in pension information
- **AutoMobileFriendly**: new simplified and "mobile first" web feed allowing visitors to obtain an insurance quote for their car easily and quickly. Our digital offer also makes it possible to take out a car insurance in a simple, quick and user-friendly way, on both smartphone and computer. In this way, clients can register their new vehicle on the same platform, pay their first invoice and receive their license plate number by text message from the DIV (Vehicle Registration Service of the Federal Public Service Mobility)

Ethias puts the client experience at the centre of its concerns. Digital technology offers the opportunity to continuously improve and expand our range of products and services while remaining in line with the expectations and needs of our clients (Simple - Efficient - Human).

12 insurance products that can be fully taken out online, payment included



Ethias Family Assistance



Ethias Car & Family Assistance



Ethias Home Insurance



Ethias Tenant Insurance



Ethias Starter Pack
(Home + Family)



Ethias Family Civil Liability



Ethias Car Insurance



Ethias Digital Omnium Insurance



Ethias All Risk Luggage Insurance



Ethias Temporary Travel Cancellation



Ethias Annual Travel Cancellation



Ethias Young Drivers



RIV4L College League

Stimulating digital innovation among young people

As the No.1 digital insurer, Ethias is fully committed to supporting innovation, not only within its own products and services, but also to stimulating digital innovation among young people. For this reason, Ethias has been supporting (since 2020) the RIV4L College League, an e-sports competition between 19 colleges and universities in Belgium. E-games and e-sports are a global phenomenon with huge potential that is now also gaining popularity in Belgium. By supporting this competition, Ethias wants to make young people aware of the importance of digital innovation.



History of our digital evolution

- 2020** — Flora / App4you / Care4you / Dekra Medappcare / Home services / SELF
- 2019** — Car: online quotation, underwriting, vehicle registration and payment
- 2018** — Client Space / E-billing
- 2017** — AssurPharma / AssurKINE / MyEthias health care
- 2016** — Online appointment booking / Live Chat on our social networks
- 2015** — New website with online underwriting and payment / Live Chat on our websites
- 2013** — App 24/7
- 2012** — New myethias
- 2010** — “My site Ethias”, customization
- 2008** — Mathias, virtual assistant
- 2007** — Declaration of fire claims
- 2006** — New website “4 in 1”
- 2005** — Declaration of car claims
- 2003** — Award for best e-commerce site
- 2002** — MyEthias
- 2000** — Online quotations & contract requests
- 1997** — Creation of the Extranet
- 1996** — First (static) website



Complaints management

Ethias complies with Assuralia's Code of Conduct for complaint management.

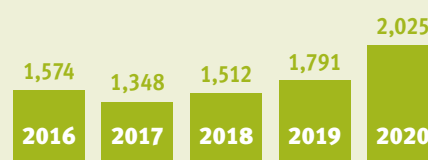
Any interested party, be it a candidate policyholder, a policyholder, an insured, a beneficiary or an injured third party, may address his/her dissatisfaction concerning an insurance contract or service.

Complaints may be lodged:

- Via the online form
- By e-mail
- By post

An independent Complaints Correspondent will examine the file objectively and respond to the complainant within 20 working days of receiving the complaint. If this deadline cannot be met, the complainant will receive a detailed letter.

An annual report on complaint management is produced each year.



The number of complaints addressed to our **internal complaints department** has increased in recent years.

The increase in complaints is explained by 3 temporary and exceptional elements:

- A peak in claims in cancellation “Property & Liability” related to the COVID-19 context during the second and third quarter
- A slight increase in “Claims - Mobility” and “Legal Aid” due to the introduction of an automation process
- Increase in “Life Third Pillar” due to the tax regularisation of long-term savings contracts with flexible premiums. This regularisation started at the end of 2019 after agreement with the tax authorities

SPONSORSHIP & PARTNERSHIP



During the COVID-19 crisis, it was very important for Ethias to lend a hand to its partners in need as well as to the cultural and sports communities.



Beyond the actions related to the COVID-19 (see pages 13 and 29), Ethias has maintained its support in 2020.



At Ethias, we have an absolute passion for music, sport and culture, and we like to set the tone for social actions and initiatives. That is what we stand for as a sponsor.



We support initiatives that bring out the best in people, that are enjoyable and enriching for visitors or participants.

Festivals

There's music in Ethias! Because everyone understands the language of music. Live music brings people together, young and old, in all their diversity and emotions. With our sponsorship, we want as many music lovers as possible to enjoy their favourite genre at the numerous festivals.

Music festivals: Brussels Summer Festival, Pukkelpop, Ghent Jazz Festival, Cactusfestival, Festival Dranouter, Graspop Metal Meeting, Jazz Dinant & Baudet'stival.



Sport

Sport makes people healthier, more social ... even happier. At Ethias, we have a heart for sport! For years, we have been a loyal partner of various sports federations, organizations and competitions. These sporting events give our sports heroes a stage. This in turn brings people closer together and encourages them to pursue a more active lifestyle themselves. Because it is our goal to motivate and inspire as many people as possible to play sports!

Sporting events: Ethias Cross, UCI World Cup Cyclocross, Tour de Wallonie, Bingoal Cycling Cup, Woman Race, Euromillions Cup finals volley, Mon Ventoux, Ethias Challenges, Start to Tennis, Start to Golf ...

Sports federations: tennis, volleyball, handball, golf ... and umbrella organizations (Sport Vlaanderen, Vlaams Instituut voor Sportbeheer en Recreatiebeleid (ISB), AES and French-speaking Interfederal Sports Federation (AISF)...



Culture

Ethias is an active sponsor of the cultural sector. Whether it's painting, theatre or opera. These activities are often eye-openers. They give people a broader view and new perspectives on their own lives and on society. That can only be enriching.

Cultural players: the Royal Opera of Wallonia, Summer Opera, the Belgian National Orchestra, the Royal Philharmonic Orchestra of Liège...



Society

Ethias is a committed insurer. That is why we are at the forefront of social actions and initiatives in the fields of health, society, road safety and mobility.

"Article 27": a non-profit organization that facilitates access to culture for people in a difficult social/economic situation

Mnema (project "Cit  Miroir"): a training centre on tolerance and citizenship

Creccide asbl: the Regional and Community Crossroads for Citizenship and Democracy

Prevention campaigns organized by **Route2School**, **Verkeersveilig West-Vlaanderen**, the **Belgian Red Cross**, **F d mot**, **Apper**, the **Walloon Road Safety Agency** (AWSR) and **Houtopia**, among others



#Human

#Commitment

#ClientSatisfaction

#Enthusiasm

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

Ethias sponsors via financial contributions and/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 organizations that could associate its name with doping, corruption, violence, racism, incitement to hatred, addiction, discrimination on the basis of race, gender, age, sexual orientation or conviction (for example homophobia, antisemitism, islamophobia, etc.).

It also excludes all organizations that would be contrary to morality or public order.

Ethias builds bridges with academia

Colleges and universities are doing pioneering work to find solutions to various challenges of today and tomorrow. By associating with them, Ethias ensures it maintains its lead in terms of innovation.

UCL: The “Ethias Pensions Chair” pursues three objectives:

- 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 a transdisciplinary 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 four years to a doctoral thesis in the field of machine learning. This project focuses among others on the use of “Belief Functions” to describe decision making. These functions make it possible to deal with the uncertainty of the models, leading to better predictions regarding, for example, churn, client behaviour based on information gathered through different types of media. The research will focus on problems that have a concrete application in practice. In addition, a “Business Spirit Partner” agreement has been set up for our start-up Flora. This agreement ensures in particular that job offers from Flora are primarily distributed among students. It also includes invitations to recruitment events or the provision of premises for the organization of seminars.

UAntwerpen: ALLIC, Antwerp Liability Law and Insurance Chair, is a chair at the University of Antwerp. ALLIC supports and promotes research (support of doctoral students) and education (seminars, publications) on liability and insurance law.



Blue-bike

The partnership with Blue-bike, which started four years ago (2017), was renewed for three years in June 2020 during a press event. Over the next three years, Blue-bike and Ethias will work even more closely together to further develop soft mobility in Belgium.

The results of 2020 in short:

- **5 new bike points** were opened in 2020 (Beveren Station, Heverlee Station, Harelbeke, Gavere Station and mobi-point Gavere-Asper)
- **172,000 trips were made.** Due to the COVID-19 impact, the number of trips decreased by 38% compared to 2019.
- In 2020, Blue-bike worked diligently behind the scenes to develop **new technologies** (new Blue-bike app, the e-bike ...). In this way, Blue-bike aims to meet the needs of users, on the one hand, and those of cities wanting to use smart technologies as part of their intermodal and multimodal transport policy on the other hand
- Despite the fact that 2020 was a special year, **the number of Blue-bike members increased by 2.3%.** In total, there are now 21,091 Blue-bike members
- Ethias and Blue-bike have launched a joint **communication campaign in Flanders**, on the trams and buses of “De Lijn”

In 2021, Blue-bike will celebrate its 10th anniversary, with the ambition of being the reference player in Belgium in the field of shared bike systems. Emphasis will also be placed on the multimodal approach. Rental bikes will play an important role in this. Collaboration with cities and municipalities, which are active players in the transport regions, will be intensified.

Moreover, Blue-bike will further digitalize its services and introduce new technologies (smart lock, e-bike and accessibility of Blue-bikes on the MaaS platforms...). An additional opportunity for users, including Ethias clients.

The Flemish Government and Flemish Minister of Mobility, Lydia Peeters, have allocated a budget of over 100 million euros to roll out 1,000 local “mobi-points” throughout Flanders, as part of the Basic Accessibility Policy. With a network of almost 70 bike sharing points and a strong partnership with cities and municipalities, Blue-bike and Ethias are in pole position to make Flanders accessible for everyone.

SOCIALLY RESPONSIBLE INVESTOR

The socially responsible investment (SRI) strategy is aligned with Ethias' corporate social responsibility (CSR) strategy. Through its financial investments, Ethias has a duty to act in the long-term interests of its policyholders and society in general.



This role as a responsible investor involves integrating environmental, social and governance (ESG) considerations into our investment processes. We believe that these ESG factors may have an impact on investment portfolios across the regions, companies and sectors in which we invest. Of course, ESG issues can affect the risk and return of portfolio positions and, as such, require special monitoring.

Every year, we invest the premiums entrusted to us by all our policyholders in order to make them grow and to honour all our insurance payments. Through these investments, we are committed to playing an important societal role in the hope of better preparing the world of tomorrow. We see our role as a responsible investor in the long term, particularly in the management of statutory and supplementary pensions and in supporting the economy.

Finally, climate change is a key focus of our ESG approach in terms of investment. In line with our "Change Over" plan (CO2 neutrality by 2030), we aim to manage climate-related risks and opportunities within our portfolios.

Our responsible investment strategy

Ethias' responsible investment policy (SRI) is based on several key principles:

- Mobilizing through strong governance
- Joining sustainable finance initiatives
- Integrating ESG criteria into our investment processes
- Excluding investments in companies and countries based on ESG criteria
- Climate risk management
- Search for investments with an ESG impact

In 2021, Ethias aims to further integrate new axes within its responsible investment strategy by:

- Strengthening the integration of ESG criteria in its investment processes
- Setting a carbon intensity target for our portfolio
- Developing a policy of commitment, dialogue and voting
- Reporting and transparency on ESG criteria

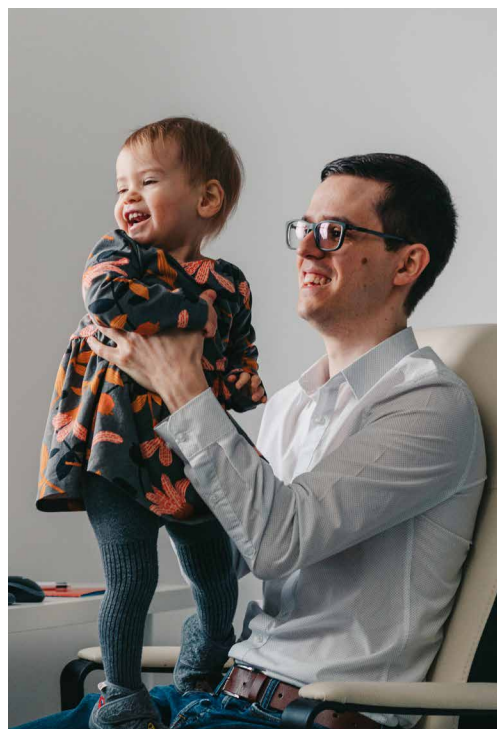
In line with the European Regulation 2019/2088 of 27 November 2019 (the so-called "SFDR Regulation") on sustainability reporting in the financial services sector as well as expected European and national standards. In this context, Ethias will further integrate these sustainability criteria.

Investment governance

Each year, the proposed ESG guidelines are included in Ethias' investment strategy. These guidelines are validated by the Executive Committee and the Board of Directors after presentation to the Audit and Risk Committee.

Ethias' Ethical Investment Committee is currently mainly responsible for the development and implementation of the Ethical Investment Code. This committee is composed of the following members: Chief Financial Officer, Chief Strategy & Data Officer, the CSR Manager, the Deputy CSR Manager, the financial representative within the CSR Unit and a representative of Legal.

In the future, Ethias intends to further strengthen the role of this committee so that it will be responsible for the development, implementation and monitoring of all the key principles of our responsible investment strategy.



Integrating ESG criteria into our investment processes

Direct management

In accordance with our general investment policy, we act as a prudent person in our investment portfolio management decisions. As a result, each asset manager has been made aware of the importance of taking an ESG approach to their investment decisions. In particular, the obligation to take into account the analysis of ESG criteria has been formalized in a number of procedures linked to our investment processes (analysis of ESG research on issuers in the portfolio and for new investments, integration of ESG criteria in credit analyses, etc.). Furthermore, in its fund selection procedure, Ethias favours socially responsible investments (SRI funds) offered by investment services providers.

In 2021, we aim to further develop the integration of ESG criteria in our direct investment decisions. Indeed, a process of ESG data acquisition and research, including in terms of climate impact, is underway and these data should be integrated into our investment processes.

Delegated management

This ambition is also reflected in the management mandates concluded with external asset managers. Ethias monitors the progress of its asset managers in integrating ESG issues into their investment decision-making processes.

This ambition is translated into the weight given to the quality of the managers' SRI approach in the selection and monitoring of their performance.

In 2021, we aim to increase the number of dialogues with asset managers on ESG issues. Ethias encourages them to integrate more ESG considerations into their investment decisions. All the managers with whom Ethias works are signatories to the United Nations Principles for Responsible Investment (UN PRI).

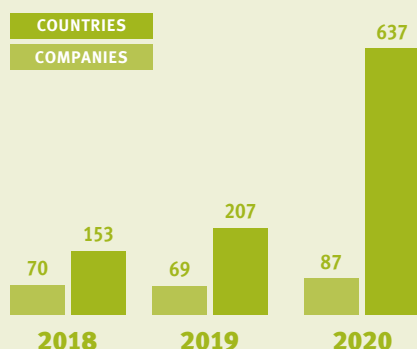
Our Ethical Investment Code

This code has existed since 2005 and is reviewed annually since 2012 with the help of an external partner (Vigeo Eiris).

It includes a list of prohibited investments which has been validated by the Ethias' Ethical Investment Committee and Executive Committee.

The code is an asset towards policyholders and applies to all of Ethias' direct investments. The code's methodology and scope are continually evolving to keep pace with societal trends.

Change in the number of issuers excluded from our investment scope



As a result of the inclusion of climate risk, the number of issuers excluded from our investment perimeter has been multiplied by three.

Since 2017, Ethias has excluded from its investments thermal coal, which is the fossil energy that contributes most to global warming.

As of 2019, it also excludes tobacco and extends the ban on armaments to the production of conventional weapons.

In 2020, Ethias decided to comply with the exclusion criteria included in the "Towards sustainability" standard developed at the initiative of Febelfin for socially responsible and sustainable financial products, and to participate in efforts to prevent global warming. More specifically, Ethias will no longer invest in companies that emit too much greenhouse gas, companies active in the extraction of conventional oil and gas (fossil energies), non-conventional oil and gas (oil sands and oil shales) and in the production of non-sustainable electricity. These initiatives are in line with the European "Green Deal" presented by the European Commission. This deal should propel Europe towards a greener mode of operation and make it a pioneering continent in the fight against global warming.

The ethical investment code consists of two blacklists of prohibited investment: a blacklist for shares and corporate bonds and a blacklist for government bonds.

Blacklist of companies

This list includes companies that are not aligned with the ten principles of the United Nations Global Compact that relate to human rights, labour law, the environment and anti-corruption as well as companies involved in the following controversial activities: armament (controversial or conventional), thermal coal, tobacco, unacceptable greenhouse gas emissions, unconventional oil and gas, conventional oil and gas extraction and production of unsustainable electricity.

Blacklist of countries

Three concepts are adopted for government bonds.

- Countries with advantageous taxation as referred to in the 1992 Income Tax Code
- Countries with the lowest environmental, social and governance ratings as defined by the extra-financial rating agency Vigeo Eiris (viz. countries being the least compliant with international standards on human rights, labour rights and environmental protection)
- Countries subject to international violations



Investments with ESG impact

As the largest insurer of the public sector, we support the Belgian anchorage in our capacity as an insurer but also as a manager of financial assets entrusted to us by our public and private clients. By making responsible investment choices, we want to make an active contribution to a more sustainable society.

This section presents a non-exhaustive list of financial products and financial holdings in which Ethias is a stakeholder.

Socially responsible direct investments

Ethias supports welcoming structures, social economy funds (such as Netwerk Rentevrij, a cooperative company with a social purpose, Carolidaire), scientific research funds, etc.

Ethias holds financial participations in these different fields: social loan companies, housing companies, microfinance organizations, active support for associations and alternative finance organizations.

It has also established privileged links with companies in this sector.

Through financial participations:



- **Incofin:** providing loans and venture capital to microfinance institutions
- **Socrowd:** cooperative that offers interest-free loans for initiatives with societal values
- **Inclusie Invest:** a cooperative with a social purpose. It collects financial resources from various types of investors (including individuals, care institutions and companies) with the aim of investing in housing projects for people with disabilities. Inclusie Invest carries out construction or renovation projects in an inclusive manner: on a small scale and in a local environment
- **Trividend:** Trividend was founded in 2001 by several social economy financiers. They identified the need for non-guaranteed loans and venture capital in the sector. Their contribution to Trividend would thus be used as a lever to attract private sector and government funding. In just a few years, Trividend has become a strong example of public-private partnership. The company explicitly supports the principles and values of the social economy
- **Carolidaire:** this fund supports social economy enterprises through loans and equity participation. The Fund also acts as an advisory body in the development of projects
- **Impulse Microfinance Investment Fund:** Belgium's premier private investment fund specializing in microfinance
- **Triodos:** Ethias holds Triodos share certificates to support the mission of this ethical and sustainable bank
- **Epimède:** fund investing in the private, unlisted capital of technological SMEs with growth potential. Preferred sectors are life sciences (biology, biotechnology, medical technology), engineering sciences (new information & communication technologies, clean technologies) and business services
- **Belgian Growth Fund:** this fund aims to strengthen the financial capacity of Belgian companies with growth potential and thus support the local economy. These companies, which represent a significant innovation capacity and provide additional jobs, would thus be able to remain on Belgian territory
- **Qbic Feeder Fund:** Ethias invests in scientific research through university funds and spin-offs
- **ICC (UGent):** Ghent University's ICC was established in 1990 as one of the first Incubation and Innovation Centres in Flanders. It is a joint project of the University of Ghent, the College of Ghent, the province of East Flanders, the city of Ghent, the Regional Investment Company Flanders and Ethias. Ghent University's ICC is a service centre for spin-offs of the Ghent University Association. It aims to stimulate the start-up, growth and development of young, innovative high-tech companies. By stimulating intellectual synergy and networking, the ICC UGent wants to create a dynamic climate for young and creative entrepreneurship, where new ideas can grow into successful companies
- **ICAB (VUB):** ICAB offers a modern and fully equipped working environment, networking possibilities and customized advice to innovative projects in the ICT and engineering sector. More specifically, it is about flexible housing at favourable conditions. This in a vibrant entrepreneurial community surrounded by start-ups, future partners, opinion leaders and financiers. With the added bonus of an ideal location in the capital of Europe. ICAB's partners include the Brussels Capital Region, Imec, VUB and Ethias

In 2020, Ethias became a signatory of the UN PRI (United Nations Principles for Responsible Investments). This organization, through its principles, is the leading advocate of responsible investment worldwide.

By signing the Principles of Responsible Investment, Ethias has publicly committed to taking into account the importance of the environment, society and good governance, as well as the United Nations principles, in its investment choices. This is the logical continuation of Ethias' CSR policy.

The six Principles for Responsible Investment propose a range of possible actions to integrate ESG aspects into investment activities:

- Ethias will take ESG factors into account in its investment analysis and decision-making processes
- As an active shareholder, Ethias will incorporate ESG aspects into its policy and practices
- Ethias will ask the entities in which it holds a stake to demonstrate adequate transparency on ESG factors
- Ethias will promote the acceptance and implementation of the principles in the investment industry
- Ethias will cooperate to make the implementation of the Principles more effective
- Ethias will report on its activities and progress since its adherence to the Principles

UN PRI will carry out recurrent analyses of Ethias' investment policy, which in turn will provide full transparency, through a detailed report, on its investment policy, as well as on the progress made in complying with the UN PRI principles.



Through investments with added value for society:

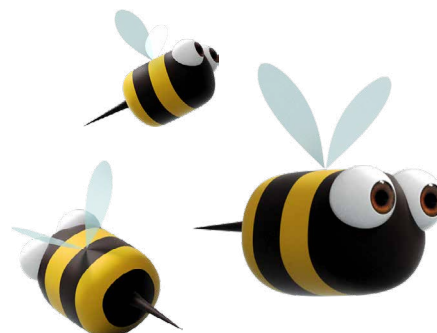


- **Social housing corporations:** good housing is and remains a fundamental right for all. Social housing is not a problem, it is a solution. Social housing corporations try to differentiate between a family, a single mother, a disabled person ... The need is high. For many years, Ethias has been the second largest shareholder of "Oostendse Haard", the Oostend housing company
- **Hospitals and nursing homes:** Ethias supports a very large number of institutions, such as psychiatric and recovery/care centres for the elderly, research centres, etc
- **Scientific research:** university funds, spin-offs, notably through its partnership in the venture capital fund Qbic Feeder Fund
- **Gimv Health & Care Fund:** Ethias is a strategic partner of this fund. It focuses on companies active in health & care services and in the MedTech sector (medical technology), and invests in innovative health care concepts within these sectors. In this way, the fund contributes to addressing a number of challenges that our society faces: an ageing population, increasing chronic diseases, rising health care costs and increasing demands for quality information from patients

Through investments with environmental impact:

As a responsible investor, it is our duty to play a role in financing the energy transition to a low-carbon economy.

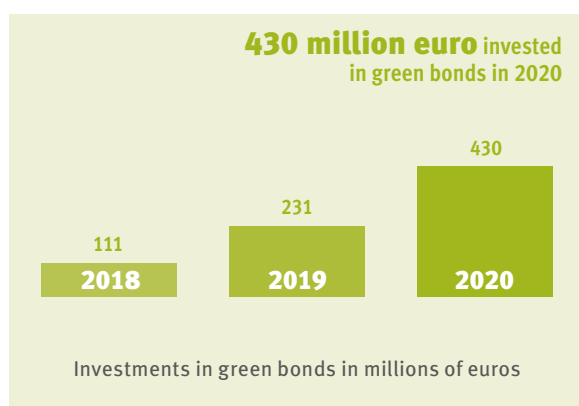
- **Infrastructure funds:** Ethias has also increased its investments in infrastructure funds that invest in renewable energy (wind, solar, biomass), public transport, energy efficiency, etc
- **Biobest:** Ethias has participated in financing the growth of Biobest, a subsidiary of La Floridienne, a holding company active in Flanders in the biological crop protection and pollination market. Thanks to this investment, Biobest was able to take over an American partner in the sector, Beneficial Insectary. The latter is the most important producer in the market of biological crop protection by insects



Direct investments in green bonds



Green bonds are bonds issued by a company or a public entity (international agency, State, local authority ...) to finance projects, assets or activities with an environmental benefit. In 2020, Ethias invested 199 million euros in green bonds, i.e. an increase of 86 % compared to 2019.



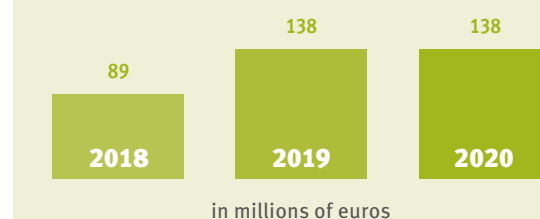
Direct investments in passive and sustainable real estate

Some examples:

- **Stationsstraat 51 (Malines):** investment in a 100 % passive office building. As the first 100 % passive building in Belgium, this converted building of the former Belgian State Telephone Company (RTT) from the 1950s is a pioneer in sustainable renovation technologies
- **State Archives (Namur & Ghent):** Ethias owns the buildings of the State Archives in Namur and Ghent. Built for the Belgian Building Authority (Régie des Bâtiments), these two new complexes meet the highest environmental quality standards. The Namur building has received a Valideo certificate
- **The new headquarters of BDO (Luxembourg):** Ethias invested in an office building in Luxembourg which received the "Interim Certificate - Design Stage BREEAM" in 2015. It was decided to extend the certification mission to obtain the BREEAM "Post Construction" certificate in 2016. The final certificate of the building was received with the mention "very good" (Renovation)
- **NAOS (Luxembourg):** The BREEAM "Excellent" certificate was obtained at end-2018 and covers the design stage of this office building in the Grand Duchy of Luxembourg. The post-construction evaluation is ongoing
- **Joint venture with the Belgian logistics company Weerts Group:** this local joint venture will enable investment in new sustainable buildings and create a considerable number of jobs



Investments in offices with a Green Label



Responsible investment products offered to our clients through our life insurance policies

Our responsible investment policy is also reflected in the investment products made available to our individual, corporate and public sector clients.

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 carries the “Ethibel Excellence” label. 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 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. The Mundo assets are invested in the “Ethical” sub-fund of the Ethias Life Fund.

For our retail clients

Through the Invest 23 Mundo fund: our retail clients also have the opportunity to invest in the “Ethical” sub-fund of the Ethias Life Fund through the internal investment fund 23 Mundo.





PLANET

THE ENVIRONMENT



ENVIRONMENTAL GOVERNANCE



Even if the service activities of Ethias per se 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.



CO₂ Neutral Company

In 2020, Ethias obtained the “CO₂ Neutral” label. It guarantees that labelled organizations are actively calculating, reducing and compensating their local and global climate impact.

As opposed to “greenwashing”, this label can only be achieved through serious climate efforts. It is validated by Vinçotte.

Our participation in the project **Reforestation in Zambia** has enabled us to offset our CO₂ emissions in 2020. Read more about our Change Over plan on page 58.

REFORESTING IN ZAMBIA

As a responsible insurer, Ethias is particularly attentive to climate issues and the impact on the environment.

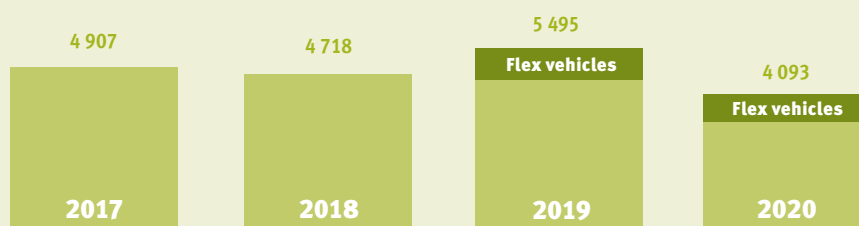
Since 2007, it has regularly had an energy audit of its carbon footprint carried out and is constantly looking for new ways to reduce this footprint.

In 2020, Ethias’ efforts to reduce its energy consumption combined with the impact of working from home have paid off: **our emissions have been reduced by 26%**, and even by 30.5% if we take into account the parallel increase in the number of employees (+7%)!

This is a strong performance that confirms **our ability to reach the 30% reduction target set for 2025 by the Change Over plan!**

Ethias’ 2020 ecological footprint amounts to 4,093 tons of CO₂, 90% of which comes from mobility (vehicle fleet) and buildings.

Annual consumption (in tons of CO₂)



Since 2019, Ethias has included in its carbon footprint the CO₂ emissions of vehicles linked to the Flex@Ethias, the cafeteria plan for Ethias employees that was launched the same year

In order to further optimize its efforts, Ethias has developed a proactive policy to reduce its ecological footprint in the following **5 areas**:



Mobility



Waste reduction



Green IT



Suppliers and responsible purchasing



Building Management



Mobility



A mobility policy for employees

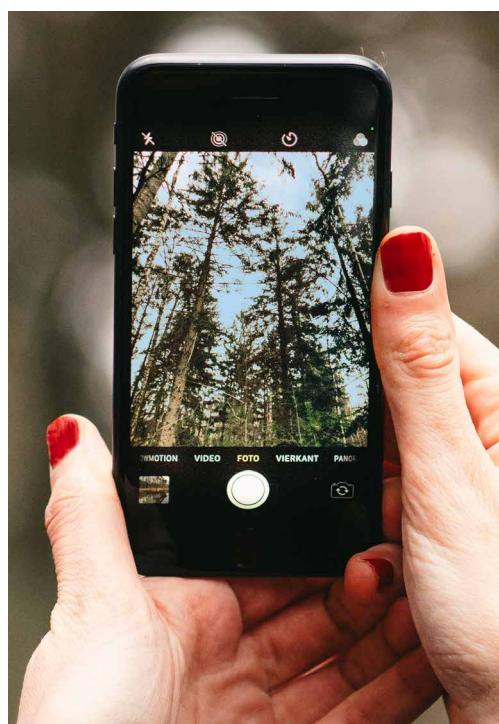
Ethias has made a public commitment to the theme of soft mobility because it is convinced that mobility is crucial for the future of our society, but also because the company positions itself as a pioneer in this field.

Indeed, the company has for many years boasted a **dynamic and proactive travel policy** that relies on intelligent and more environmentally friendly mobility, using public means of transport and soft mobility devices to improve employee travelling.

Since 2012, Ethias has been a pilot entity of the cycling initiative “Tous Vélo-Actifs” of the Walloon Public Service for Mobility (SPW Mobilité), which promotes the bicycle as a means of transport for commuting. At the same time, Ethias was one of the first companies to join the cell “Mobility” of the Walloon employers’ organization (UWE), which organizes among other things training sessions for Mobility Managers in Wallonia.

Thanks to the support it provides and the many initiatives deployed internally, Ethias was awarded the “Tous Vélo-Actifs” label by the SPW Mobilité at end-2020, as well as the badge “Best bicycle parking for employees”.

Ethias also encourages its employees to continue their efforts and change their travel habits by promoting carpooling and the use of public transport.



Ethias carpools

Ethias has supported alternative mobility programmes set up by public authorities, such as the “Covoit-stop” initiative. Ethias has also launched a project allowing more colleagues to try out carpooling, while benefiting from the tax advantage. The comOn platform has been selected to support this initiative.

Ethias Commuty

In June 2020, Ethias deployed the “Commuty” app to optimize the management of parking spaces for staff members. Thanks to this application, colleagues know in advance that a parking space has been reserved for them and can therefore avoid unnecessary “driving back and forth” to find an available space.

The app also gives priority to colleagues who carpool.

Ethias cycles

Since 2014, Ethias has been providing its employees for their personal trips (during lunch time, after work) with a fleet of 10 business bikes (including an electric one).

A free electric charging station for bicycles is installed in its car parking.

Since 2015, Ethias has been organizing “The Bicycle Spring” and offering employees who come to work by bicycle free maintenance and overhaul of their bikes: an important preventive gesture for an insurance company.

CO₂ emissions

Since 2008, the company has been applying an environmental measure to its company vehicles: a carbon emission limit rate has been set for each category of company cars. The control of carbon emissions is a priority action plan for Ethias.

In line with its objective of achieving carbon neutrality, Ethias has begun to consider integrating 100% electric vehicles into its fleet for commute travel between its offices.

But the best commute travel is the one you don’t make! In order to reduce travel between workplaces, Ethias has installed videoconferencing systems for work meetings between the company’s main offices in Hasselt and Liège.

Staff members can obtain a rail pass for professional travel free of charge and can finance the purchase of a bicycle or speed pedelec.

Finally, Ethias also intervenes in the first year of the Blue-bike subscription for staff members.



Telework to support our objectives

CO₂ emissions linked to commuter traffic have a particularly significant environmental impact.

The system of generalized telework, which was launched in 2019, was rolled out more rapidly in 2020 in response to the mandatory measures imposed by the health crisis. This generalized roll-out had a significant positive impact on the reduction of commute travel

(-28%) and on the energy balance of our buildings (-27%), despite the inclusion in our carbon footprint of domestic consumption in 2020 due to telework (83 tCO₂).

Emissions related to telework are estimated at 0.47 kgCO₂/person/day, and take into account the average Belgian mix for electricity consumption (lighting and computer equipment) as well as heating according to temperatures (from October to March).

On the other hand, remote meetings have led to a significant reduction in travel between and within buildings. Each meeting room and each desk is now equipped with an integrated visio-conferencing system.

These new working methods have a positive effect on:

- CO₂ from travel: 28% reduction in emissions
- Total emissions from our building infrastructure: -25%
- Consumables: -6%
- Paper: -35%
- Meat: -58%
- Waste: -51%

Based on these results, Ethias is convinced of the ecological opportunities offered by telework and is determined to use all means to partially continue the system of working-from-home after the COVID-19 crisis.

36% reduction in the number of kilometres travelled by our company cars in 2020



Reduction in CO₂ emissions



The carbon footprint measurement carried out annually by CO₂logic has shown a reduction in Ethias' overall emissions.

This reduction in our CO₂ emissions is the result of the impact of telework, which has been in place since 2019 and intensified in 2020, but also of all the actions initiated by Ethias over the last few years.

These results confirm the relevance of our initiatives and determine our willingness to increase our efforts through the implementation of an ambitious plan.

The actions undertaken in 2012-2013 were continued in 2020:

- Concluding electricity supply contracts with a guarantee label for the **green origin of the electricity**. This label guarantees the supply of energy generated by hydroelectricity, wind power, co-generation or solar energy (energy 2030)
- **Measurement of the carbon footprint**, in partnership with CO₂Logic, resulting in proposals for actions to reduce the footprint. Since 2018, the carbon footprint has been measured annually (previously every two years)
- **Partnership with Bpost** for the CO₂ compensation of postal mailings
- **Modernization** of the production and management **equipment** for the heating/air conditioning system, including the replacement of the air conditioning system in our Alleur building
- **Detailed monitoring** of the energy consumption for our various buildings and regional offices in order to define corrective measures
- **Implementation of corrective or innovative measures** in order to reduce our emissions (installation of energy metering modules, presence detectors)

Support of Climathon

Climathon is an annual international programme that enables climate action through the realization of tangible entrepreneurial projects. The idea is to also accelerate the development of companies and start-ups while relying on the evolution of local politics.

The 2nd Liège Climathon took place on 12 and 14 November 2020 and was structured in three key steps to enable climate action:

- **Define local climate-related challenges**
- **Develop solutions to meet these challenges**
- **Provide long-term support to achieve the solutions**

Because Ethias is aware that climate change has consequences for its business and its ecosystem and because these challenges are at the heart of its activity, **Ethias has sponsored the "ecology" challenge.**

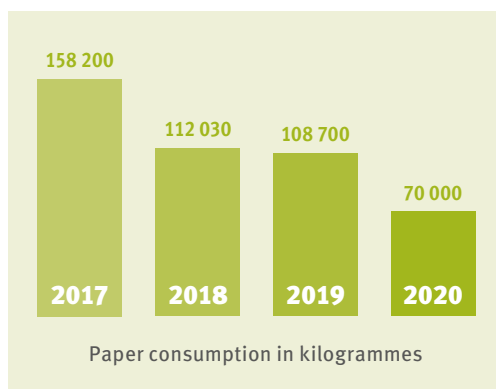
51 participants were able to reflect and propose solutions to the question **"How can we improve the air quality of our cities and limit the impact of heat waves?"**



Waste reduction



Although waste sorting is part of everyone's habits in private life, it is still more difficult to organize this in companies and, above all, to anchor it in people's mentalities. Ethias regularly raises staff awareness about waste collection and sorting.



Other consumables

In addition to paper/cardboard consumables, Ethias also aims to optimize the recycling of equipment and other consumable items:

- **Order of office chairs with “cradle-to-cradle” certificate** - 90% recycling - “Quality Office” certification
- **Donation of office desks** and other furniture to charities and schools
- **Battery collection** in collaboration with Bebat



Paper consumption

The digital transformation of Ethias was stimulated in 2020 by numerous actions aimed at reducing paper consumption, thanks in particular to:

- Maximizing the adoption of e-mail billing
- Sending green cards digitally
- Generalizing the electronic transmission of registered letters
- Promoting the Client Zone of our website and its digital features
- Setting consumption reduction targets per department
- Awareness-raising and best practice sharing, including the promotion of central versus local printing
- Reducing paper advertisements in favour of digital and more targeted communications
- Changing the default transmission channel in IMS for hundreds of documents: 59% of exchanges with our clients are done digitally (compared to 51% in 2019 over the same period)
- Progressing the transition to the Guidewire tool, for which digital is the default communication channel (including the digitization of the signature of the person in charge): 77% of our client exchanges are already done by e-mail. The balance of the correspondence is almost entirely printed in a centralized way
- Replacing and reorganizing the photocopier fleet in June 2020, both in Liège and in Hasselt. As a result, all printings are “delayed” by default, i.e. printing starts after manual validation on the copier. This is a further step towards digitization, but also towards reducing paper consumption
- Implementing a digital helpdesk to support our client in the digital transition
- In 2018, a pilot project for collecting paper towels was set up. In 2019, the recycling of 1,604 kg of paper resulted in a reduction in carbon emissions of 694 kg of CO₂. In 2020, despite the almost generalized working-from-home, Ethias was still able to recycle 840 kg of paper in 2020, which represents a 364 kg reduction in carbon emissions

70 tonnes of paper and cardboard were recycled in collaboration with “Terre”, a non-profit organization in 2020 (-35% compared to 2019)



Green IT



While IT tools support environmental aspects through the paper savings they generate, they can be a source of energy consumption themselves.

Ethias is working with its IT subsidiary NRB to reduce this impact by optimizing its infrastructure and processes, but also by:

- Launching an internal campaign to **reduce Ethias' digital storage space**
- **Migrating mail archives to cloud solutions**
- Donating, via Digital4Youth, Ethias laptops to schools and non-profit organizations in order to **extend their lifespan**
- **Virtualizing NRB's servers** to reduce the number of physical servers and therefore the energy requirements for power and cooling
- Launching the project to **install a wind turbine with the objective of producing 40% of NRB's energy needs**



Staff restaurant

Although the health crisis forced the shutdown of its restaurant operations, Ethias initiated a major overhaul of the catering services for its staff in 2020.

It has therefore entered into a partnership with ISS Facility Services. This partnership includes:

- Use of **organic and/or locally produced products**
- Compliance with the **Fairtrade@Work Label**
- **Waste reduction**
- **Adherence to the Green Deal - Sustainable Canteens Charter**



Suppliers and responsible purchasing

Since 2017, our Procurement department is in charge of purchasing all material goods and services in order to get the best guarantees at the best conditions.

Ethias ensures that tenders for products and services include **environmental sustainability criteria**. We also take into account ecological criteria by choosing recyclable and energy-saving materials, ecological and biodegradable products.

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:

- Prohibition of child labour
- Respect of freedom of association
- Abolition of all forms of forced labour
- Prohibition of discrimination in employment and occupation

In 2020, Ethias subscribed to the **Green Deal for circular purchasing**. This Green Deal aims to promote the development of a circular economy in Wallonia. It encourages any organization, public or private, to commit to circularity through very concrete actions. Economic opportunities, competitiveness and environmental concerns are at the heart of this sustainable project.

For the 2020 version of its investment code, Ethias has decided to comply with the exclusion criteria included in the **"Towards sustainability"** standard developed at the initiative of Febelfin for socially responsible and sustainable financial products, and to participate in efforts to prevent global warming.

All of the **hydro-alcoholic gel dispensers** - placed internally or distributed as part of our support to the community - meet local production and short-circuit criteria in order to limit travel related to manufacturing and delivery. Their simple but effective design and choice of materials also met criteria for easy recycling.

During the week of February 17-23, 2020, our CEO, Philippe Lallemand, had the opportunity to support the **Fairtrade@Work** campaign via a video on the LinkedIn network so as to encourage other companies to take socially responsible initiatives. At Ethias, the 750,000 cups of coffee we consume annually generate premiums that are paid directly to local co-operators and producers.

For the supply of its electricity, Ethias subscribes to **"green" electricity contracts**, giving priority to the green origin guarantee label. This label guarantees the supply of energy produced by hydroelectricity, wind energy, cogeneration or solar energy (Energy 2030).





CHANGE OVER: TOWARDS CARBON NEUTRALITY!

Since 2003, Ethias has adopted a participative approach in its CSR policy and has been proactively following climate developments.

Ethias is aware that climate change and environmental degradation pose an existential threat to Europe and the rest of the world. These changes threaten the survival of humanity.

In response to climate change, Europe has launched the “Green Deal” with the aim of becoming the first climate-neutral continent by 2050.

In 2020, Ethias took another step forward by developing its multi-year “Change Over” plan with the aim to become a carbon-neutral insurance company within 10 years, while initially offsetting its current emissions. This plan rests on two main pillars:

- **Sobriety & efficiency:** having passive buildings, limiting unnecessary travel, promoting working from home, reducing excess consumption as much as possible
- **The energy shift:** gradually shifting to low-carbon forms of electricity. This transformation will mainly concern the infrastructure and the overall mobility of employees. Ethias has taken the lead by deciding to quantify its ecological impact in order to better reduce this impact through numerous actions on the ground

In order to make employees aware of this change and to involve them in its approach, Ethias set up a major internal survey on their mobility in the autumn of 2020.

1 078 employees participated in the internal mobility survey
(almost 70% of the workforce)

The 3 steps of the Change Over plan:

2020

Launching the plan

Offsetting our emissions through a **reforestation project in Zambia** aiming at:

- Sustainably increasing crop yields, incomes and welfare of smallholder farmers
- Reducing uncontrolled forest loss and degradation by increasing net forest cover

From 2021, **gradual conversion of our fleet to more hybrid and electric vehicles and continuation of our working-from-home policy to reduce travel.**

2025

Reducing our CO₂ emissions by one third

We will achieve this by:

- Renovating or building new premises according to the principles of sustainable construction
- Continuing our efforts to reduce the carbon footprint of our vehicle fleet

2030

Achieving carbon neutrality

We will achieve this through:

- Low-carbon buildings
- A fleet of zero emission vehicles
- Reducing our digital footprint in partnership with NRB



BUILDING MANAGEMENT



Reduction of occupancy area

In 2020, Ethias continued its real estate initiative aimed at reducing the number of square meters of office space occupied and thus its carbon footprint. 300 colleagues were directly concerned by this reorganization of space in Liège. This approach is supported in particular by the introduction of telework, which enables the optimization of work spaces.

Liège

Since 2017, Ethias has sold 3 of the 4 buildings it occupied in Liège in order to consolidate its activities on a single site (sale of the Prémontrés building in 2020: -1,600 m²).

Rives Ardentes

Ethias has recently validated the choice of its future location in Liège, a brand new building in the emerging “Rives Ardentes” eco-district, which will reduce its current surface area by 25%.

Hasselt

In order to continue to reduce the surface area occupied and to achieve its objective of carbon neutrality, Ethias has also launched major renovation work on its building in Hasselt. By 2024, Ethias' activities will occupy only 9,000 m² of the building, compared to 21,000 m² at present.

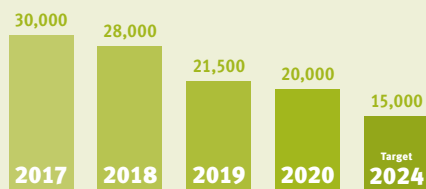
Target 2024: 9,000 m² for Hasselt
21,000m² in 2020



The specifications of this new building meet many ecological considerations, such as:

- A BREEAM Excellent and Very Good certification
- Optimal accessibility via soft mobility or public transport
- A 25% reduction in the surface area currently occupied
- A large bicycle parking area
- An ecological and sustainable architecture

Target 2024: 15,000 m² for Liège
20,000m² in 2020



Over the last 4 years, Ethias has reduced the surface area of its buildings in Liège by 33%

Strategic renovation choice

Our buildings are already monitored in real time in order to programme the techniques according to the real needs and the comfort expected by its occupants.

When we renovate or build our offices, we will benefit from the latest technologies, in particular by integrating more Smart Building sensors.

When choosing its equipment and infrastructure suppliers and partners, Ethias naturally takes into account ecological criteria (choice of recyclable and energy-efficient materials, ecological and biodegradable products).

For the renovation of its site in Hasselt, Ethias enlisted the help of botanical specialists to increase the presence of plants and trees to neutralize the CO₂ emissions produced by the staff's activities in the building.

Ethias has set up Concept Stores, sustainable commercial agencies that are close to the clients. The products used for the furnishing or construction/renovation of these agencies are either recycled materials or recyclable materials. A framework agreement was signed with a design office to further develop this environmental concept.

2 new Concept Stores were opened in 2020

GOVERNANCE

INTEGRITY

The company's activity is based on strong values that guide its work, its organization and its policies.

Integrity is at the heart of these values and must guide everyone's daily decisions and actions. This nurtures stakeholder confidence and preserves the company's credibility and reputation, which are key factors in its success.

The integrity policy includes the internal and external rules of conduct that apply to the company's employees and provides a reference framework to guide each of their actions, inspire their choices and bring the company's values to life on a daily basis.

Within the framework of its governance, **Ethias is attentive to the issue of climate risks** (global warming, pollution, etc.), **which could affect the profitability of its products or even the continuity of its activities.**

As part of its ORSA (Own Risk Self Assessment), **Ethias assesses the potential consequences of a natural disaster every year.** The stress tests carried out on this occasion make it possible to question the company's reinsurance policy.

Its **ethical investment code** also excludes investments in industrial activities that are harmful to the environment.

United Nations Global Compact

Since 2006, Ethias has adhered to the United Nations Global Compact and renewed its adherence in 2020. The Global Compact remains fully integrated into the company's strategy.

This pact defines a global framework in terms of ethics, respect for human rights, respect for labour law and environmental policy.

Ethias translates this global framework into concrete actions on a daily basis, while involving all its stakeholders and promoting these values. They are listed in a table at the end of this document.

Codes

Social-Ethical Code

This code recalls the company's values and commitments, including the basic principles of the International Labour Organization (ILO), and provides for the establishment of the Ethics Committee. It reaffirms its commitment, in the field of labour relations, to the founding values of the social economy, which seeks to reconcile profitable economic activity with a people-centred social policy, to which primacy is given.

There is a procedure for reporting non-compliance with the Social-Ethical Code.

Core values of the company included in the Social-Ethical Code

- ✓ Respect for the dignity of individuals and their private lives
- ✓ Freedom of association and the right to collective bargaining
- ✓ Prohibition of discrimination in employment relations on the grounds of gender, race, nationality, beliefs (religious, philosophical or political) or social origin, individual physical characteristics or state of health
- ✓ Equal treatment and equal opportunities
- ✓ Professional training and development of employee qualifications
- ✓ Encouraging an internal communication policy
- ✓ Prohibition of psychological harassment, sexual harassment and all forms of violence
- ✓ Compliance with laws and regulations, individual and collective labour agreements
- ✓ Compliance with company procedures and guidelines
- ✓ Preserving excellent safety, hygiene and well-being at work

Ethias' Commitment to the social economy

Built on values of solidarity and social progress, Ethias intends to fully assume its social, societal and environmental responsibility.

Its commitments in this respect have been formalised in a charter which includes considerations such as:

- Respect for freedom of association and recognition of the right to collective bargaining
- Elimination of all forms of forced or compulsory labour
- Abolition of child labour
- Elimination of discrimination in respect of employment and occupation
- Fight against corruption
- Action against corruption in all its forms, including extortion and bribery

Code of conduct for the Financial Department

The code sets out a series of professional and ethical standards and specific procedures allowing to ensure that the staff of the finance department carries out its mission in accordance with the values of Ethias.

AMBITIONS 2021

Ethias' Executive Committee and the Joint Ethics Committee reaffirm their willingness to anchor CSR in the strategic fundamentals of the company, as an employer, insurer, investor and responsible player in society.

In 2021, Ethias will continue to apply the 10 principles of the United Nations Global Compact to all its CSR actions and activities. Moreover, it will broaden its frame of reference to the 17 Sustainable Development Goals set by the United Nations, for which societal interest is growing.

While continuing its support to the various post-COVID recovery plans and rolling out its sustainable investment strategy, Ethias decided to strengthen the CSR activities undertaken to date and to focus the 2021 action plan on four sustainable development objectives:



END POVERTY IN ALL ITS FORMS EVERYWHERE

Economic growth must be shared to create sustainable jobs and promote equality.



ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES

Empowering people to live healthy lives and promoting well-being for all at all ages is essential for sustainable development.



SUSTAINABLE CITIES AND COMMUNITIES

Make cities and human settlements inclusive, safe, resilient and sustainable



COMBAT CLIMATE CHANGE AND ITS IMPACTS

The fight against global warming has become an integral part of achieving sustainable development.

TOWARDS CARBON NEUTRALITY!

Since 2008, Ethias has been measuring its CO₂ emissions and working to reduce its carbon footprint.

Ethias has committed to an ambitious strategy to take the company carbon neutral by 2030!!

Find all the details of our Change Over plan on page 58.



More than 5,000 employees committed to a more sustainable society

As part of its group strategy, which was launched in 2020, **Ethias' next non-financial reports will include the activities of all its subsidiaries.**

ADHERENCE TO THE UNITED NATIONS GLOBAL COMPACT

In 2020, Ethias renewed its membership of the United Nations Global Compact, to which it has adhered since 2006. The Global Compact remains fully integrated into the company's strategy:

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"> • Joint Ethics Committee • Integrity policy • Social-Ethical Code • Ethical investment code • Signature UN PRI
Make sure that they are not complicit in human rights abuses	<ul style="list-style-type: none"> • Signing of an ILO convention by all suppliers • Ethical Investment Code • Signature UN PRI
Uphold the freedom of association and the effective recognition of the right to collective bargaining	<ul style="list-style-type: none"> • Social governance
Contribute to the elimination of all forms of forced or compulsory labour	<ul style="list-style-type: none"> • Signing of an ILO convention by all suppliers
Contribute to the effective abolition of child labour	<ul style="list-style-type: none"> • Signing of an ILO convention by all suppliers
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 Policy
Support a precautionary approach to environmental challenges	<ul style="list-style-type: none"> • Change Over (carbon neutrality from 2030) and carbon offset projects • Environmental Governance • Ethical Investment Code • Signature UN PRI
Take initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"> • Change Over (carbon neutrality from 2030) and carbon offset projects • CO₂ emissions balance • Actions in favour of multimodal mobility
Encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> • Responsible suppliers • Strategic renovation choices
Work against corruption in all its forms, including extortion and bribery	<ul style="list-style-type: none"> • Integrity policy • Ethical Investment Code • Signature UN PRI

WHY A NON-FINANCIAL REPORT?

For Ethias, the drafting of this non-financial report is a continuation of an approach that was initiated in 2007 with the drafting of what was then called the «Corporate Social Responsibility Report».

This fourth edition of the report goes beyond the legal requirement.

This document is intended to be a unifying instrument. It reflects the collaboration of all entities within the company to achieve a common goal: to be and remain a socially responsible insurer, redoubling its efforts to address the health crisis.

Hence, the entire company contributes to the elaboration of this report by updating the CSR team on all the initiatives taken in the different departments over the year.

The report is then drafted and finalized under the aegis of the Ethics Committee, which was set up within Ethias in 2003. It is a joint body, consisting of as many representatives of the employer as of the employees. It is chaired by the CEO and its mission is to deploy CSR within the company and to ensure compliance with the rules of social ethics.

The report is part of the financial report and follows the same approval procedure through the Executive Committee, the Board of Directors and the General Assembly of the company. This report covers the activities of Ethias SA.

Ethias has based this report on the 10 principles of the United Nations Global Compact and the United Nation's 17 SDGs. Each of Ethias' actions is guided by an overall strategy founded on these principles and the resulting commitments. The UN Global Compact and its 17 SDGs, to which Ethias adheres, are the connecting thread in the company's CSR approach.



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