

ANNUAL REPORT

2022

We're here for you. **ethias**

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 30 March 2023.

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 17, 2023.



NATIONAL HEAD OFFICE

Rue des Croisiers 24
4000 LIÈGE
+ 32 (0)4 220 31 11

HEAD OFFICE FOR FLANDERS

Prins-Bisschopssingel 73
3500 HASSELT
+ 32 (0)11 28 21 11

**HEAD OFFICE FOR THE
GERMAN-SPEAKING REGION**

Klötzerbahn 24-26
4700 EUPEN
+ 32 (0)87 59 10 00

ethias.be

Content

RETROSPECTIVE AND VISION OF THE CHAIRMEN	4
1. PRESENTATION ETHIAS	6
1.1. A group with a mutual insurance philosophy	6
1.2. Strategic foundations	7
1.3. Products and services	8
2. KEY FACTS OF 2022	13
2.1. Market conditions in 2022	13
2.2. The COVID-19 pandemic	14
2.3. Fitch rating maintained	14
2.4. Dividend distribution	14
2.5. Storms and floods	14
2.6. Ethias Impact Fund	14
2.7. Ethias signs the United Nations Principles for Sustainable Insurance (UN PSI) and joins the SBTi initiative	15
2.8. Partnerships and social player	15
2.9. Innovation dynamics	15
2.10. Closing of Head offices on Mondays	15
2.11. Awards	16
2.12. Sponsorship and partnership with Wout van Aert	16
3. KEY FIGURES	17
3.1. Essential data of the income statement	17
3.2. Essential data of the financial position	17
3.3. Regulatory coefficients	17
4. ANALYSIS OF THE RESULTS OF THE FINANCIAL YEAR	18
4.1. Non-Life	18
4.2. Life	18
4.3. Non-technical	18
4.4. Changes in shareholders' equity and solvency margin level	18
5. APPROPRIATION OF THE RESULT	19
6. SUSTAINABILITY	20
6.1. Ethias' history of sustainability	20
6.2. Sustainability Strategy	21
6.3. Sustainable governance	22
6.4. Sustainable investments	34
6.5. EU Taxonomy	41
6.6. Partnerships and memberships	44
6.7. SDG framework	47
6.8. Ambitions 2023	50
7. ASSESSMENT OF INTERNAL CONTROL	51
8. MAIN RISKS (EXPOSURE AND MANAGEMENT POLICY) AND USE OF THE FINANCIAL INSTRUMENTS	52
8.1. Governance with regard to risk management	52
8.2. Risk appetite	53
8.3. Insurance risks	54
9. EVENTS OCCURRING AFTER THE FINANCIAL YEAR WAS CLOSED	57
9.1. Dividend	57
9.2. Banking crisis of March 2023	57
10. INFORMATION ON CIRCUMSTANCES WHICH MAY SIGNIFICANTLY IMPACT THE COMPANY'S DEVELOPMENT	58
10.1. Regulatory developments - Solvency II	58
10.2. Regulatory developments in sustainability	58
11. RESEARCH & DEVELOPMENT	59
11.1. Flora	59
11.2. Innovation Hub	59
11.3. Venturing	59
11.4. Technological developments	59
12. GOVERNANCE	61
12.1. Composition	61
12.2. Justification for the independence and competence of the members of the Audit and Risk Committee	62
12.3. Justification for the competence of the members of the Appointments and Remuneration Committee	63
12.4. Conflicts of interests	63
12.5. External offices exercised by the leaders of Ethias SA	64
13. REMUNERATION OF THE DIRECTORS	70
14. DETAILS OF BALANCE SHEET AND INCOME STATEMENT ITEMS	72
14.1. Balance sheet	72
14.2. Income statements	73
15. BALANCE, INCOME STATEMENT AND NOTES	74
15.1. Balance sheet	74
15.2. Income statement	76
15.3. Notes	79
15.4. Social balance sheet	96
16. STATUTORY AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2022	98

Retrospective and vision of the chairmen

We're here for you

2022...

... The world is slowly emerging from the pandemic. It is overheating. The impact of the floods and storms is still being felt in much of Belgium. The start of the war between Russia and Ukraine in February is proving to be a seismic geopolitical event with tragic direct and indirect consequences. Beyond the unbearable human tragedy on the scene, economic difficulties have increased and inflation in Belgium reached its highest level in almost 50 years in October with a peak of 12.3%. Gas, fuel, electricity, raw materials, food... Prices are exploding and impacting the population and businesses. It also highlights the fact that our world has entered the era of cyberattacks.

Crises no longer follow one another, they overlap. In this new world, and in the face of these new risks, trust, solidarity and the search for solutions for greater protection are more crucial than ever.

As you will discover in this report, our action plans have been defined to continue to accompany our stakeholders in this further development and to face the future in a responsible manner and as serenely as possible. This is how Ethias positions itself: a positive catalyst in the face of challenges.

A different, solid and responsible Belgian player at the service of society since over 100 years

Thanks to its ability to anticipate, its resilience and its more than a century of expertise, Ethias closed the year 2022 with a satisfactory result, close to its forecasts despite the complex context linked to inflation and the residual impact of the floods.

As at December 31, 2022, **the net result amounts to 191 million euros**. The Non-Life operating result amounts to 169 million euros. In Life, the operating results stands at 75 million euros. Overall income amounts to 2.91 billion euros, i.e. an increase of 135 million euros. This very good income result exceeds forecasts and is attributable to both Life insurance and Non-Life business. The **Solvency II ratio** stands at **170%**¹ after deducting the proposed dividend of 108 million euros. It should be noted that the ratio is calculated according to a standard formula without using transitional measures for technical provisions. Subject to the approval of the General

Assembly, a **dividend of 108 million euros** will be paid to our four shareholders (the Federal State, the Walloon Region, the Flemish Region and the company EthiasCo).

A resilient and agile group that provides solutions

Ethias Group is an ecosystem composed of Ethias SA, NRB, IMA Benelux, Ethias Services, Ethias Pension Fund and Ethias Ventures at the service of its policyholders.

As an example, Ethias Pension Fund achieved significant success in 2022 by winning the public tender launched by the Federal Pension Service as a central purchasing office for managing the 2nd pension pillar for contractual employees of local authorities. This solution is a further illustration of Ethias' positioning at the service of local authorities to meet local challenges and issues related to pension coverage and property protection.

A new step towards a new world ...

Beyond economic performance, which is obviously essential for companies, Ethias wants to integrate sustainability objectives into its strategy for all its operations and activities.

As you will discover in this report, Ethias' societal commitment has been firmly anchored since the establishment of the company. This commitment was marked in 2022 by the presentation of the Ethias Youth Solidarity Awards, which aim to fight poverty among young people, the creation of the Ethias Impact Fund, the adherence to the United

¹ Annual solvency assessment at December 31, 2022.

Nations Principles for Sustainable Insurance, numerous sustainable investments and partnerships, the pursuit of our Zero-Carbon Plan in 2030.

By integrating sustainability into all aspects of our business, we are strengthening our ability to be a strong and responsible player in society, creating jobs, but also solutions for a new sustainable world.

The recent awards we have received illustrate this willingness, for our brand image, the quality of our products and services, the well-being of our employees and our desire to put people at the center of our concerns.



We are particularly proud of what we have achieved thanks to our unique business model, our values, the trust of our clients, the support of our shareholders, but also the unwavering commitment of more than 5 000 employees within the group, who are working together and whom we wish to praise for their resilience during this truly exceptional period.

We wish you a pleasant reading.

We're here for you.

A handwritten signature in black ink, appearing to read 'Philippe LALLEMAND'.

Philippe LALLEMAND
Chairman of the Executive Committee
Chief Executive Officer

A handwritten signature in black ink, appearing to read 'Myriam VAN VARENBERGH'.

Myriam VAN VARENBERGH
Chair of the Board of Directors

1. Presentation Ethias

1.1. A group with a mutual insurance philosophy

1.1.1 Direct insurer

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

The economic developments following the war in Ukraine – especially the high inflation – have a direct negative impact on our purchasing power and welfare. In response, Ethias is committed to its products by supporting a range of insurances at affordable premiums, and, more broadly, the projects Public Centres for Social Action (CPAS) aimed at helping young people in poverty. In 2022, Ethias created the Ethias Impact Fund to strengthen our fight against poverty.

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

Ethias' phygital model

Ethias puts the client experience at the centre of its concerns. And because each and every customer is above all a person, the human being will come first every time for Ethias.

Even if digital technology is an essential opportunity to continuously improve and expand our range of products and services, Ethias wants above all to remain attentive to the expectations and needs of its customers. Halfway between digital and human contact, Ethias offers the best of both worlds with a phygital approach. **The goal? Providing a unique, simple, efficient and human experience.**

In this period of uncertainty, Ethias must be anchored in reality and enhance its human approach.

Ethias is there for its customers: at any time in their lives and whenever they need it. Ethias and every one of its employees are at their side. Without ever judging them. We are there for them, so that they are never alone.

1.1.2 The strength of a group

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

The main entities of Ethias Group are:

- **Ethias:** over 100 years of expertise in assisting clients with their needs to protect individuals and goods
- **NRB:** provider of ICT solutions and services with a European vocation
- **Flora:** 100% digital insurance
- **Ethias Services:** innovative services in the fields of prevention, risk management and pensions
- **IMA Benelux:** development and services related to Car, Home and Health Care assistance
- **Ethias Pension Fund:** a unique multi-employer pension fund in Belgium that offers the best suited solutions for financing pensions
- **Ethias Ventures:** launched at the end of 2022, a new tool for investing in start-ups working in insurtech and ecosystems with added societal value close to insurance: mobility, health and housing

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

The Ethias group ecosystem relies on the synergies, expertise and talents of more than 5.000 employees to speed up the implementation of solutions in areas such as health, ageing, mobility and public services. This allows Ethias to offer services that goes beyond insurance contracts by also focusing on sustainability aspects.

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

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

1.2. Strategic foundations

1.2.1 Brand Purpose

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

This is the world today.

Health crises, digital divides, social inequalities, urgent climate issues... These are new threats that are putting to the test the much-needed solidarity to build a responsible and sustainable society of the future.

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

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

At the centre of our actions, our concerns, our resources and our objectives, the *H* in Ethias symbolises the human values that have always given meaning to the incredible resilience of our company.

At Ethias, we enable our staff and partners to grow and to give of their best. We are agile and flexible. We are all working together to make life easier and more enjoyable for everyone. We want to bring a smile to people's faces and make threats disappear.

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

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

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

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

1.2.2 Values

These values are the foundation of Ethias' identity, culture and personality. In a nutshell, they are the DNA of Ethias and were redefined 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

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

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

#ClientSatisfaction

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

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

#Enthusiasm

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

#Innovation #Vitality #Creativity #Energy #Dynamism
Optimism

1.2.3 Mission

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



1.2.4 Vision

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

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

1.3. Products and services

1.3.1 Compensation for natural disasters: a top priority

Ethias is committed to its policyholders 7 days a week

Following the exceptional floods of July 2021, more than 14,000 claim files were opened at Ethias.

In February 2022, nearly all B2C policyholders were compensated. Ethias has also been cited in the press on several occasions as the insurer having compensated in the shortest period of time a maximum number of claims related to this disaster.

In February 2022, more than 15.000 cases were opened in the wake of the storms. Our case managers got quickly in the field to take care of the victims. Ethias has made it a point of honour to show the same efficiency as during the floods and to support its clients as best as possible.

1.3.2 One main motivation: Customer satisfaction!

Ethias is perceived in 2022 as a player with a wide range of insurance products, easily accessible, as well as quality contract and service¹.

Satisfaction measured among private clients²

- The NPS study conducted in 2022 shows an **overall satisfaction rate** with Ethias of 92%.
- After a first contact with Ethias, **2 out of 3 clients would recommend the insurer to their family and friends**

Satisfaction measured among corporate clients³

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

Complaint man

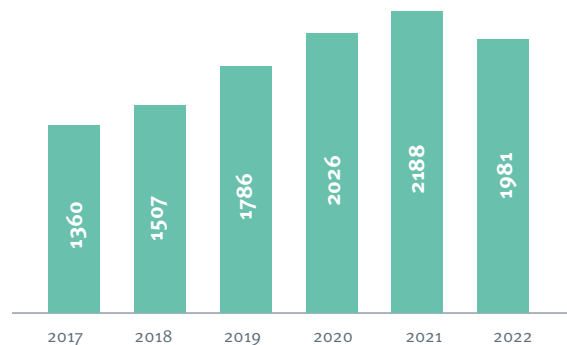
Ethias complies with the Assuralia Code of Conduct for complaint management.

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

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

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

GRAPH OF THE EVOLUTION OF COMPLAINTS



The decrease in the number of complaints in 2022 is strongly marked in the 2nd half of the year.

This noticeable decrease in all our services highlights Ethias' desire to put client satisfaction at the forefront of its concerns.

The availability of Ethias employees, even outside normal office hours, made it possible to clear the backlog due to the latest exceptional natural disasters.

¹ These indicators come from the Brand Image study, which measures the positioning and image of Ethias towards private individuals (customers/prospects). 2022 sample: 2.000 respondents

² Indicators come from the NPS (Net Promoter Score) project, a tool created in 2014 to measure the satisfaction and recommendation rate of private individuals (customers & prospects) who have had contact with Ethias. 2021 sample: 25.548 clients.

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

1.3.3 An increasingly sustainable product range

By continuously improving its product range, Ethias aims to cover Belgian society in difficult times, to contribute to a healthier environment by encouraging responsible behaviour, and to make healthcare accessible to all.

1.3.3.1 For individual clients

Mobility

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

New version of Bike & More

While the car market is in trouble, the bike market has never been better. The momentum generated by the health crisis continues to build.

The Bike & More product is growing at an average of 51% since its launch in 2019. Today, the growth continues and has reached 24% in 2022 thanks to actions carried out by Ethias throughout the summer. The Mobility Pack (25% discount on the Bike & More product when combined with car insurance) boosted the conversion rate of quotes into Bike & More contracts to over 60%. By the end of December 2022, nearly 18,000 clients trusted Ethias with this insurance product, in line with its ESG policy.

Health

Ethias' goal? To complete the range of healthcare products to ensure affordable and accessible care for all.

Ethias Hospi Quality

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

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

After hospitalisation due to a serious illness, it is important to be able to count on support during rehabilitation. Thanks to a partnership with Ring Twice, one of the first approved platforms for the collaborative economy, Ethias reimburses up to €500 per year for non-medical home help services in the following areas: housekeeping, baby-sitting, gardening, DIY, care and well-being, pet-sitting, private lessons in connection with your current schooling, or cosmetic products (turban, scarf, etc.). Ethias also reimburses these costs up to a maximum of €500 if the insured chooses a service provider other than those offered through the Ring Twice partnership.

Home

The home insurance automatically covers green installations (solar panels, photovoltaic panels, heat pumps, etc.)

Co-tenant insurance Flora by Ethias

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

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

Legal Aid Insurance

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

Travel

Assistance & Cancellation

5 COVID-related cover extensions have been integrated into the Assistance and Cancellation products, automatically (for both existing and new clients) and free of charge (no premium surcharge). These benefit extensions allow Ethias' clients to benefit from extended cover in the event of a pandemic such as COVID.

Partnerships

Whestia

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

Social housing

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

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

The Housing Fund for large families in Wallonia

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

Vlaams Huurdersplatform

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

Blue Bike

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

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

1.3.3.2 For the public sector & corporate clients

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

Mobility

Mobility & More

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

Bike & More

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

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

Property

Property insurance (fire and all risks)

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

Business interruption cover after a property claim

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

Cyber Protection Insurance

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

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

Health

Occupational disease insurance

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

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

Hospiflex insurance - Servi + guarantee

This optional benefit covers the cost of non-medical services (gardening, cleaning, etc.) to improve the well-being of insured persons hospitalised due to a serious illness.

1.3.4 Beyond Insurance: Ethias' services

1.3.4.1 For private individuals

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

Mobility

Liberty Rider

App for motorcyclists calling emergency services after a crash.

Assist on Demand

Text to Ethias for a quick breakdown service on the road through a digital flow and with a negotiated rate. This service is available even if you are not insured.

Health

Care4You

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

App4You

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

Home

Home Services

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

1.3.4.2 For public bodies and companies

These services (training, audits and consultancy) are focused on prevention and risk management. Customized support

Ethias Services offers services in three main areas:

- Protecting people
- Protecting buildings
- Protecting business

These three areas are also integrated into the Ethias Services training school. Clients can register on-line directly on the platform that includes all services: solutions.ethias.be

A range of sustainability services

In 2022, Ethias Services develop new sustainable solutions.

Regarding energy, Ethias Services has entered into a partnership with Helexia, an ESCO (Energy Service Company), which has been supporting the energy transition for more than 10 years.

Reducing carbon footprints, achieving self-sufficiency and controlling costs are important challenges for all public sector institutions, but these things are not always easy to navigate. This is why Ethias Services, Ethias' Beyond Insurance solution provider, and Helexia Belgium have joined forces to support them in implementing their energy transition.

But also in the **field of air quality** by analysing, purifying and communicating in real time the quality of indoor air. Together with our partner, we help venue managers and operators to comply with CO2 standards and to protect their guests.

Psychological support

Let's Talk is a phone counselling service that can be activated during times of crisis as in 2020 (Covid crisis, for students and small businesses and their staff) and in 2021 (flood victims).

Managing psychosocial risks

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

Skill management

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

Risk Management

Ethias' experts support companies so they can get their business back on track after a disaster, while reducing future risks. They take into account the technical aspects, but first of all the human aspects, which allows them to remain focused on their core activities.

This is particularly the case with a series of services in the field of cyber risk management. These services allow companies to gain maturity in this area.

Prevention

For business and staff safety, you must be aware of the law, have the right recommendations, draw up an emergency plan and have good first aiders. A fire prevention audit reduces the risk of fire, ensures the safety of all people present on the site, provides with a quick evacuation plan, evacuation drills, mitigates the harmful effects of a fire and facilitates the intervention of the emergency services.

In order to establish a direct link with its policyholders, while remaining attentive to their needs and limiting paper consumption, online magazines, information sheets, awareness-raising videos and customer testimonials are available to local authorities on the blog (www.ethias.be/blog-fr).

Ethias Cyber Prevention

Cybercrime is one of the emerging risks and has become a major challenge for companies.

Improved security will depend on both the implementation of protective devices and preventive actions, such as changing user behaviour, but also reacting quickly during a cyberattack with expert intervention for data recovery.

Ethias Cyber Prevention assists companies in the implementation of a **prevention policy** (security audit, action plan suited to the identified risks, business continuity plan, cybercrime awareness, fight against phishing). Ethias also offers various Cyber Security services.



UrbanData

UrbanData is designed to help in the decision-making process prior to the implementation of multi-domain public policies and in monitoring their effects.

What indicators about the municipality do decision-makers need? Where and when do claims occur? How do we interpret the data? What are the impacts on the municipality's operations?

Data are aggregated from different sources so the tool can identify, select and analyse different types of accidents that occurred over a long period of time in the municipality.

You can view geolocated claims on interactive and dynamic maps, and sort by postal code, neighbourhood, street, with a classification of the most accident-prone areas. Moreover, you can follow the evolution of claims over time in different areas, including by month and day of occurrence. It allows you to determine the most frequent types of claims and to geolocate them within the municipality.

Prevention partnerships

Exia is a blind spot prevention technology developed by the VUB spin-off. This new technology reduces the number of deaths caused by blind spot accidents by 31%.

Ethias' Prevention Department and Ethias Services have lent their expertise to conclude a partnership with **Oxygis** to develop a web and mobile mapping software dedicated to the inventory and maintenance of playgrounds. This partnership improves the safety and integrity of playing children.

2. Key facts of 2022

2.1. Market conditions in 2022

2.1.1 Entering a new macroeconomic cycle

In 2022, while the health aspect of the COVID crisis seemed to be history, its macroeconomic repercussions were beginning to be felt, mainly through increasing pressure on inflation. A spectacular reversal in the Fed's stance, which until then had considered this rise in inflation as "transitory", was the first element in a series of rapid future adjustments in monetary policy at global level. At the end of February, the outbreak of war in Ukraine was to cause a further shock to commodity and food prices, pushing oil to the 110-dollar a barrel level for the first time since 2011. A few weeks later, the Fed began to raise its key interest rates. Shortly afterwards, China re-implemented strict containment measures in its territory in an attempt to contain a new outbreak of COVID. Against this backdrop, logistical tensions in the supply chains were far from abating. At the end of the first year-half, the US stock markets "officially" entered a Bear Market after falling by more than 20% from their recent highs. In Europe, the energy crisis hit households and businesses hard after Russia unilaterally decided to stop supplying gas to a number of European Union countries, driving gas prices to a record high. This spike in gas prices will in turn affect electricity prices, due to the current functioning of the EU energy market. Faced with this situation, the ECB tightened its monetary policy in July, four months later than the United States. The "zero interest rate" policy in the Euro zone was thus abandoned. It is not until December 2022 that the inflation peak will be passed, with European inflation settling at an annualized rate of 9.2% (after a high of 10.6% reached in October).

In this context, the growth-inflation dynamic has evolved negatively in 2022 with a real risk of having a prolonged period of high inflation and low growth. Indeed, the level of inflation in Europe as well as in the United States has broken record after record while global GDP has slowed. Faced with the risk of sustained and uncontrolled inflation, central banks have therefore decided to tighten their monetary policy by announcing several rate hikes in 2022 and the end of massive liquidity injections into the markets.

The combined effects of the significant rise in inflation and the central banks' actions to contain it are beginning to be felt on the prospects for global and European growth. However, faced with the risk that all components of inflation will not decline sufficiently, central banks are likely to continue their rate hike cycle in 2023.

2.1.2 High market volatility

As a result of monetary tightening and high inflation, government bond rates showed a lot of volatility and ended 2022 with a significant increase, especially on the short end of the curve. For example, the Belgian 10-year bond rate ended the year 2022 at 3.22% compared to 0.19% at December 31, 2021.

The difficult economic context and the tightening of the FED's and the ECB's monetary policies were also largely unfavourable to the equity indices. For example, the EuroStoxx50 ends up at -11.74% in 2022 while the S&P500 loses more at -19.44%.

2.1.3 Impact on the financial management of Ethias

Despite a turbulent macroeconomic context, our financial management has limited the impact of financial market volatility on the performance of our investment portfolio. Indeed, we have not observed a significant increase in our default risk. This is mainly due to a wide diversification of issuers held but also to their very good credit quality. As Ethias has no direct exposure to Ukraine and Russia, the conflict had no direct impact on its portfolio.

In addition, as in previous crises, our investment and risk teams apply an active investment strategy, which means that they always react to current events and take appropriate measures to protect the portfolios. With a view to holding our bonds forward in relation to our ALM management, the decline in the market value of our bonds is offset by the decrease in the value of our liabilities. Measures have been taken to protect portfolios against rising interest rates, notably through hedging derivative programmes. Other risks, such as the risk of widening credit spreads, rising long-term inflation or equity risk, have also led to the implementation of targeted management measures.

Finally, the rise in interest rates has allowed Ethias to make investments on more favourable terms, thereby strengthening the average rate of return on its portfolios for the years to come. The rise in inflation had a positive impact on the performance of its inflation-linked bonds.

2.1.4 Impact on insurance products and technical liabilities

In this specific macro-economic context of high inflation, underwriting risk management and provisioning were impacted and tariff increases were applied. In addition, Ethias has also reviewed some of its assumptions and estimation methods to reflect the observed and expected inflation levels in its financial statements.

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

2.2. The COVID-19 pandemic

Since the beginning of the pandemic, Ethias has wanted to play an active social role by providing assistance to several actors in our society. In 2022, Ethias continued this commitment by providing free Civil Liability and Bodily Injury insurance for all COVID vaccination centers and by offering - beyond insurance - its support to sectors that needed it:

- Immediately after spring half-term, Ethias distributed **1,500 jars of hydroalcoholic gel to the insured schools** of nursery, primary and secondary education.
- Ethias granted the **cultural sector a 25 % discount** on the 2022 fire insurance premium.
- Ethias offered a new **premium reduction** for Belgian **sports federations**.

2.3. Fitch rating maintained

In May 2022, the agency Fitch announced maintaining Ethias SA's rating at **"A (positive outlook)"**, highlighting once again the company's high level of capitalization, its low debt ratio and its strong operational profitability.

2.4. Dividend distribution

The General Meeting of May 18, 2022 approved the distribution of a dividend of 105 million euros for fiscal year 2021.

2.5. Storms and floods

Following the exceptional floods of July 2021, more than 14,000 claim files were opened at Ethias. At the beginning of 2022, nearly all B2C policyholders had been compensated.

In February 2022, more than 15,000 files were opened following the storms, once again mobilizing file managers to take care of the victims as quickly as possible. Ethias has made it a point of honour to demonstrate the same efficiency as during the floods and to provide its clients with the best possible support.

2.6. Ethias Impact Fund

In October, Ethias set up the Ethias Impact Fund. This fund, managed by the King Baudouin Foundation, will enable Ethias to carry out philanthropic actions. The fund will be the "armed wing" of the social component in Ethias' Sustainability strategy. In addition to structuring Ethias' philanthropic policy (financial donations), this fund will also have the task of developing a vast network of partners in the field, with the aim of using this network to carry out "double impact" actions for society. Ethias will therefore not only provide financial resources but also time and expertise.

For the first three years, the Ethias Impact Fund will give priority to projects or associations related to the fight against child poverty, health and environmental protection. This support will be provided mainly through calls for projects, such as the Ethias Youth Solidarity Awards.

2.7. Ethias signs the United Nations Principles for Sustainable Insurance (UN PSI) and joins the SBTi initiative

After joining the UN Global Compact in 2014 and the UN PRI in 2020, Ethias signed up to the UN Principles for Sustainable Insurance in October 2022. Whether environmental, social or governance, these principles are the benchmark for insurers in terms of sustainability. Ethias thus reinforces its commitment to reduce risks, develop innovative solutions, improve business performance and contribute to environmental, social and economic sustainability. This is the logical implementation of its Sustainability strategy and its integration within the company and its entire value chain.

In line with the commitment made in 2021 when joining BACA, Ethias joined the SBTi's Net-Zero (**Science Based Targets Initiative**) in December 2022. This strong commitment by Ethias aims to file - and have an independent body validate - a plan containing **intermediate decarbonization objectives** with a view to achieving carbon neutrality **in line with the objectives of the Paris Climate Agreement**. Ethias is **thus pursuing its trajectory towards net-zero carbon by 2030 and is giving itself even greater means to achieve this**. **These ambitions go hand in hand with a growing desire to reduce the carbon footprint in a sustainable way, as well as the footprint on biodiversity.**

2.8. Partnerships and social player

In May 2022, Ethias signed a protocol agreement with the German-speaking Community and Proximus to deploy **fiber optics** throughout the German-speaking Community.

Moreover, as a Belgian insurer, Ethias wants to have a positive impact on society. This is why Ethias has invested in 3 new partnerships offering **real estate investments** that meet **ESG criteria**.

- **Vicinity Affordable Housing Fund** ("Vicinity") aims to provide quality rental housing with low or no energy consumption, ensuring a significant societal and environmental impact through a new property management model.
- **Revive** revives old brownfields and neglected downtown sites into green urban centers.
- **Hamsterhuren II** enables tenants to become homeowners thanks to the "Squirrel" rental system (conversion of at least 50% of a maximum of 8 years' rent into a down payment for a mortgage loan) and provided that the real estate projects are based on energy-efficient techniques and use sustainable materials.

2.9. Innovation dynamics

"*Learn the lessons and move fast*" is how Ethias intends to move forward in terms of innovation. After testing and developing several innovations and launching its services marketplace, Ethias is moving up a gear thanks to the experience it has gained. Thus, capitalizing on the initial success of its 100% digital offer, which has been further expanded in 2022, Flora is also becoming Ethias' bridgehead for the development of embedded insurance. On the other hand, Ethias Ventures will become the new tool for investing in start-ups active in the Insurtech field as well as in ecosystems with societal added value close to insurance: Mobility, Health and Housing. Data at the service of the client: in addition to its use from improving the customer experience, Ethias has a large amount of data that can be used to assist cities and municipalities. This is the objective of UrbanData, the tool that makes an inventory of all registered claims in a city or municipality, by means of a visual map. Finally, the Client Zone is now accessible from the Ethias app: a way to have all services and contracts at your fingertips.

2.10. Closing of Head offices on Mondays

Ethias has decided to expand its actions to reduce its carbon footprint and at the same time respond to the expectations of employees to move towards greater flexibility by introducing new hybrid work methods. Every Monday, the head offices in Liège and Hasselt are closed and employees are invited to work from home. Ethias also allows homeworking up to 3 days per week, i.e. 60% of the working time.

This measure, innovative on the Belgian market, will allow Ethias to reduce its dependence on fossil fuels. This is in addition to the numerous initiatives deployed over the past few years, which have enabled the company to reduce its carbon footprint by one third, four years ahead of schedule.

The closure of the offices has no impact on the clients as all regional offices (including Liege, Hasselt, and Alleur) remain fully accessible.

2.11. Awards

In 2022, Ethias received the "**Top Employer**" certification from the Top Employers Institute (EIS). This title rewards the company's policy towards its employees and its HR practices, with a particular focus on the initiatives implemented in the areas of Well-being, Work Environment, Organization & Change and Digitalization.

As in previous years, Ethias won several **DECAVI** awards, including one for tenant insurance, workers' compensation insurance and personal liability insurance. For the third time in a row, Ethias received the DECAVI trophy for its **societal commitment**. This award confirms the relevance of Ethias' commitments and its desire to put people at the center of its concerns.

Finally, its brand image was also rewarded with the "**Best Brand Award 2022**", with Ethias being elected as the number one for the insurance sector.

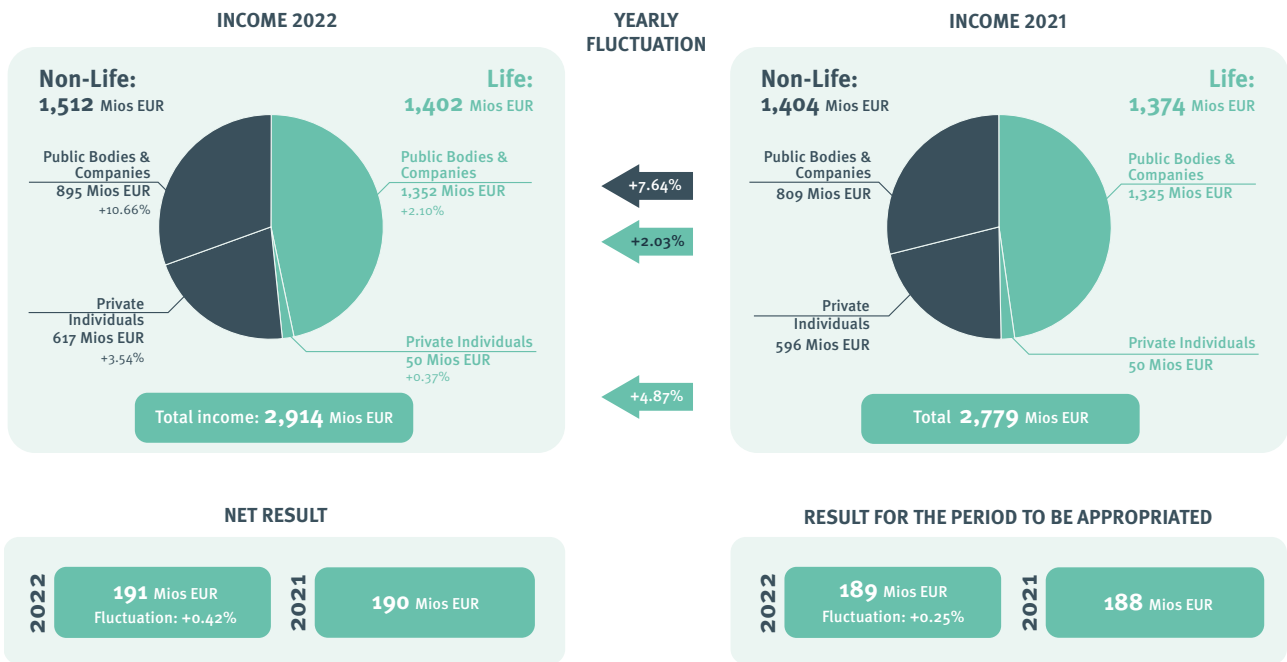
2.12. Sponsorship and partnership with Wout van Aert

Since the beginning of the summer, the visibility of Ethias has increased thanks to various sponsoring initiatives, such as its presence at several French- and Dutch-speaking festivals and at several sporting events like the Ethias Tour de Wallonie, the Woman Races or the Ethias Ladies Open of Eupen.

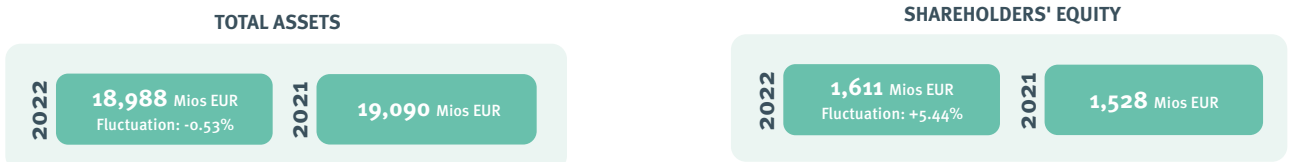
After his exceptional performance in the Tour de France (winner on 3 stages, super combative title, green jersey) and the interest he has aroused among the media and the public, Wout van Aert is undoubtedly a quality ambassador for Ethias. The values he conveys (teamwork, application of a clear and solid strategy, hard work and surpassing oneself) are clearly in line with the company's philosophy.

3. Key figures

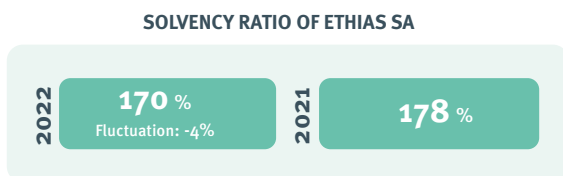
3.1. Essential data of the income statement



3.2. Essential data of the financial position



3.3. Regulatory coefficients



4. Analysis of the results of the financial year

Although the year 2022 sounded the end of the impacts related to the pandemic, it was marked from the start by the tensions between Ukraine and Russia, generating constant uncertainty and leading to historically high inflation levels. To this crisis, we must also add the adverse weather conditions of February, even if the severity of the losses is not comparable to what Belgium experienced during the 2021 floods.

The year 2022 recorded a net result of 191 million euros, i.e. an increase of 0.42% compared to 2021. After withdrawals and transfer to untaxed reserves, the result to be appropriated amounts to 189 million euros.

Total income amounts to 2,914 million euros, i.e. an increase of 5% compared to the 2021 income, mainly driven by Non-Life insurance.

4.1. Non-Life

The result of Non-Life business amounts to 173 million euros

Income amounts to 1,512 million euros and increases by 8% compared to 2021. It breaks down as follows between the segments "Private Individuals" and "Public Bodies & Companies":

- Income for Private Individuals increases by 4% compared to 2021 and amounts to 617 million euros;
- Income for Public Bodies & Companies amounts to 895 million euros and increases by 11% compared to 2021.

The adjusted net combined ratio (including recurring financial income from annuities) stands at 94.6% and is below the 95% target.

The result of the Non-Life activities is clearly up compared to the year 2021 (+43%) which was strongly impacted by the July floods.

4.2. Life

The result of Life business amounts to 85 million euros

Income at end-2022 is up by 2% compared to 2021 and amounts to 1,402 million euros, including 50 million euros in Private Individuals and 1,352 million euros in Public Bodies & Companies.

- Income in Life Individuals increases by 0.37% compared to 2021.
- Premium income for Life Public Bodies & Companies increases by 2.1% compared to 2021, mainly coming from the 1st pillar.

The good result of the Life business in 2022 is explained in particular by a good insurance technical result.

These good results made it possible to endow the provision for profit-sharing (net of taxes) with 32 million euros, mainly for ring-fenced funds from the 1st pillar.

The result of the Life business is down compared to 2021 (-17%) which was strongly impacted by non-recurring financial income.

4.3. Non-technical

The non-technical result before tax shows a negative contribution of 20 million euros, mainly due to the expense of subordinated loans and impairments on receivables. Tax expenses for the year amount to 47 million euros and benefit from deductions for income from innovation.

4.4. Changes in shareholders' equity and solvency margin level

After appropriation of the result, equity increases by 83 million euros to 1,611 million euros, compared to 1,528 million euros at end-2021, taking into account a profit to be appropriated of 189 million euros and the distribution of a dividend of 108 million euros.

The SII margin at end-December 2022, based on the standard formula, amounts to 170% and takes into account the dividend.

5. Appropriation of the result

After withdrawal and transfers to untaxed reserves, the net profit for the financial year to be appropriated amounts to 189 million euros. After taking into account the profit carried forward from the previous year, the profit to be appropriated amounts to 636 million euros.

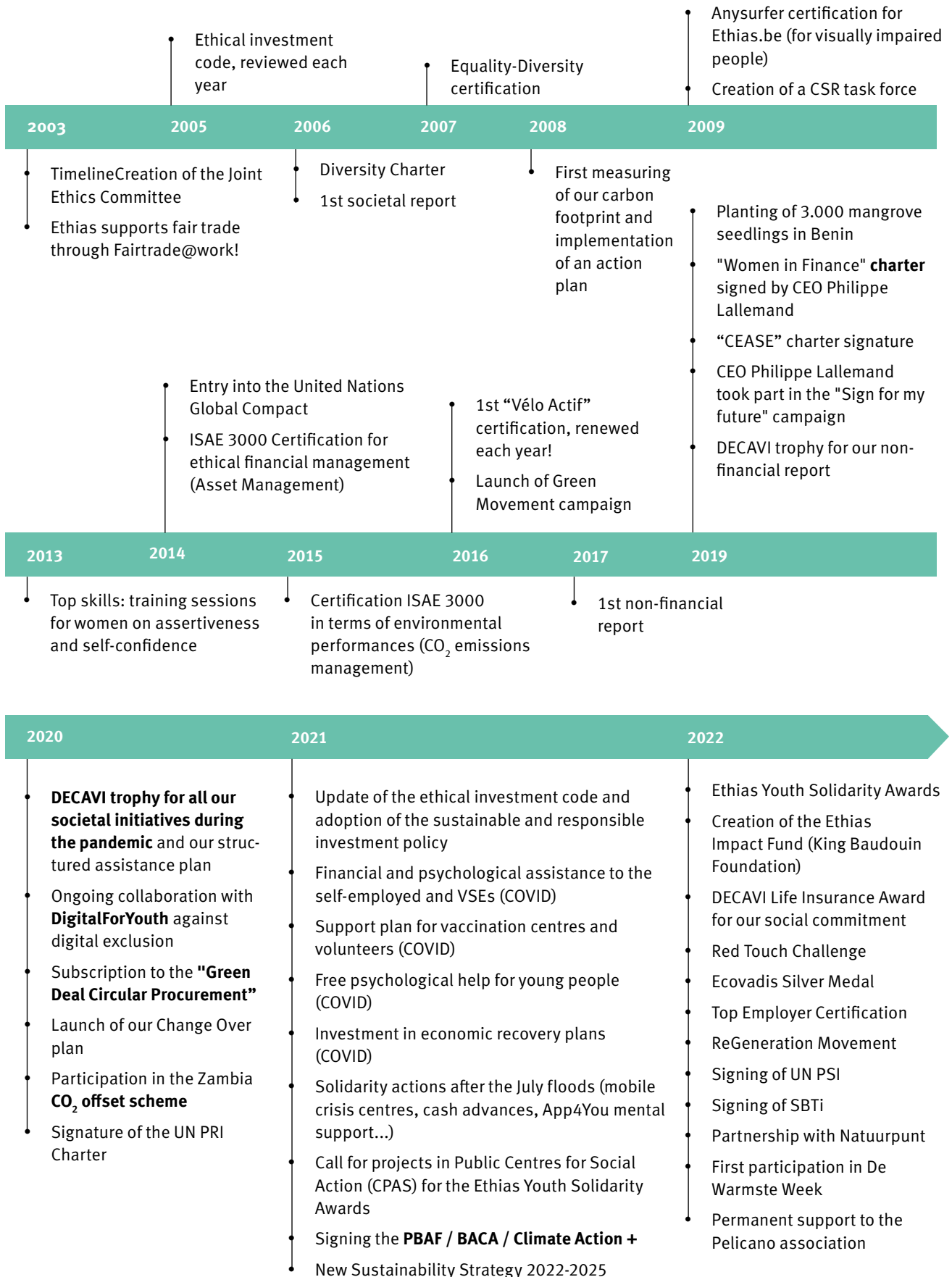
The following appropriation is proposed to the General Assembly:

- allocation to the statutory reserve; 9 million euros;
- profit to be carried forward: 519 million euros;
- remuneration of the capital (dividend): 108 million euros.



6. Sustainability

6.1. Ethias' history of sustainability



6.2. Sustainability Strategy

6.2.1 An integrated strategy at the heart of our business

Integrating sustainability into the company's strategy means, first and foremost, taking a 360-degree view and taking into consideration that our thinking and decisions for our stakeholders: customers, employees, shareholders, suppliers and society.

Ethias' Sustainability strategy was reviewed in December 2021 and is based on a stronger governance, built with a team of passionate employees, whose primary mission is to integrate sustainability criteria in all areas of the company's activities.

Built around the three main ESG pillars (Environment/Social-Societal/Governance), it can be brought down to **10 major commitments** towards the planet, society and its various stakeholders.

6.2.1.1 10 essentials

1. To develop and offer clients ever more **sustainable products and services**, in line with European requirements
2. To focus on **prevention** to meet the challenges of sustainability
3. To pursue the path towards **carbon neutrality** with the **Change Over** plan
4. To help **regenerate ecosystems** and **biodiversity**
5. To reduce its **environmental impact** and strive for **“Zero Plastic”**
6. To strengthen its responsible investment approach
7. To create **impact** in society through its **Ethias Impact Fund**
8. To embrace each person in his/her/their **diversity** and **uniqueness**
9. To bring sustainability to life within the company with the **#ReGeneration Movement**
10. To promote sustainability by joining **networks and communities of experts** in Belgium and around the world



6.2.1.2 Sustainable Development Goals

The 17 Sustainable Development Goals (SDGs) were adopted by all Member States of the United Nations in 2015, as part of the 2030 Agenda for Sustainable Development which sets out a 15-year plan to achieve these goals.

Our Sustainability strategy is based on these SDGs, and more specifically on the 6 goals where Ethias believes it can have a real impact on society. These include goals to **eradicate**

poverty, promote health for all, create more sustainable cities and communities, adopt **more sustainable patterns of production and consumption, fight climate change**, and **promote and encourage all forms of collaboration** in these key areas. You will find below a framework between these objectives, their targets and the main actions and commitments of Ethias.

“In 2022, we integrated sustainability further into all of the company’s operations and beyond. The primary role of the Sustainability team is to ensure that the sustainability strategy does not live outside of the corporate and group strategy, but is fully integrated into it. To achieve this, we could count on the commitment and support of the Top Management, but also of all the employees who have committed themselves to making sustainability a core element of their work, whether it be our Stream Leads Sustainability or all the people who have joined us in the ReGeneration Movement meant to bring together all the employees who want to work for change.”

Bénédicte PASSAGEZ, Head of Sustainability, Ethias

6.3. Sustainable governance

6.3.1 Cross-company and participatory approach to sustainability

Ethias’ Sustainability strategy is not the prerogative of a single person or a few “lucky” ones. It is driven through 15 workstreams, so that sustainability penetrates all levels of the company.

These working groups regularly hold collegial meetings to implement their strategy. They draw their inspiration from the thoughts and initiatives of Ethias employees within the ReGeneration Movement.

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

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

Launched in early 2022, the movement has quickly grown to nearly 100 employees active as volunteers. Several actions were carried out this year:

- A jumble sale with clothes and toys, part of the profits of which were donated to the Pelicano Association
- Raising awareness and training employees on the challenges of climate change through the workshop Fresques du Climat
- Communication and awareness-raising actions: testimonials from employees involved in sustainable approaches, sustainability quiz, etc.
- Joint action with the organisation aSmartWorld, during the European Week for Waste Reduction. For each smartphone or tablet sold by an Ethias employee, one euro will be donated to the Pelicano association.



Every Day Is An Impact Day: Sustainability at the heart of Ethias

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

6.3.2 Our policies, charters and codes

All of our commitments and principles described here are formalised in our policies, charters and codes on our website: www.ethias.be/durable

6.3.3 Performance 2022

ENVIRONMENTAL FOOTPRINT

BIODIVERSITY



Restore biodiversity and prevent natural disasters

DECARBONIZATION TRAJECTORY



2030 NET ZERO OPERATIONS

Footprint of our operational activities: 4,339 tons of CO2e emissions, 60% of which comes from mobility

29% reduction in carbon emissions since the launch of the Change Over project

Both headquarters are closed on Mondays

2050 NET ZERO INVESTMENT



SBTi signature

TOP EMPLOYER*



- Purpose & values: **100%**
- Leadership : **98.71%**
- Sustainability policy: **95.63%**
- Work environment: **92.59%**

* Based on the Top Employer 2023 certification by the Top Employers Institute

BELGIAN ECONOMY

€5,2 billion invested in the Belgian economy

SUSTAINABILITY COMMITMENTS



SOCIAL COMMITMENT

ETHIAS YOUTH SOLIDARITY AWARDS



€450,000 to help CPASs fighting youth poverty

ETHIAS IMPACT FUND



Ethias Corporate Fund housed in the King Baudouin Foundation

REGENERATION MOVEMENT



More than 100 employees involved in this internal sustainability movement

6.3.4 Environmental impacts

It is increasingly imperative for a company to thrive in harmony with the environment around it. It is no longer possible to drain or degrade our ecosystem without paying a price at some point. Instead, companies must move towards a kind of balanced and regenerative prosperity. “

Benoit Piret, Head of R&D Human Resources

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

Each year, Ethias measures its carbon footprint, in partnership with the company CO2logic. This measurement gives rise to a plan for action to reduce the footprint. Since the beginning of our collaboration, CO2Logic used the “carbon footprint” method. Ethias asked to switch to the protocol, which is used in particular in the SBTi trajectory to which we are committed. The goal is to harmonize the carbon footprint calculation method and the way all partners use data.

6.3.4.1 Change Over: towards carbon neutrality!



Ethias has been proactively monitoring climate change since 2003.

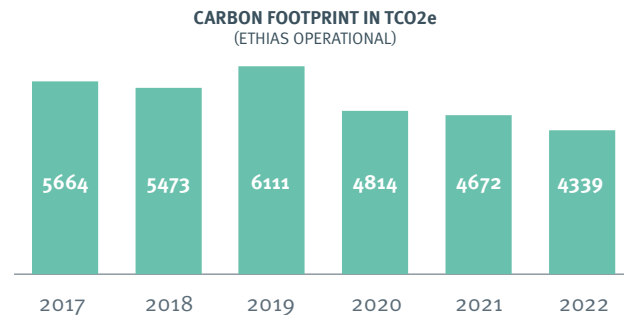
In 2019, in response to challenges due to climate change, Europe has launched the Green Deal with the aim of becoming the first climate-neutral continent by 2050.

In 2022, Ethias further deploys its initiatives with a multi-year "Change Over" plan aiming at becoming a carbon-neutral insurance company in its operational scope (excl. Asset Management), while initially offsetting 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.
- **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.

Carbon balance 2022

As a responsible and committed insurer, Ethias is particularly attentive to climate issues and the impact on the environment. Since 2008, Ethias has had an annual audit of its carbon footprint.



Ethias received the “CO₂ Neutral Company” label in 2020 and 2021. This label is certified by an independent body and guarantees that the labelled organisations measure, significantly reduce and offset their residual CO₂ emissions.

In 2022, CO2logic changed its labelling model by creating new, more granular categories and by emphasizing the importance of carbon footprint reduction.

Thanks to a **7.1 % reduction in carbon emissions compared to 2021**, Ethias is expected to obtain the “Silver CO₂ Neutral Company” label this year. **The carbon footprint of Ethias’ operational activity, i.e. scopes 1 and 2 in their entirety and the Upstream part of scope 3 (excluding financial investments) now amounts to 4,339 tons of CO₂ equivalent**, of which 60 % comes mainly from mobility (including vehicle fleets) and 20 % from buildings.

6.3.4.2 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. It strongly encourages its employees to reflect on the way they use transport. We organize workshops and promote the actions of our cyclists through an internal newsletter. On average, they travel 21 kilometers per day (round trip).

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, carpooling and soft mobility devices to improve employee travelling. It is also implementing technological resources for more remote meetings and working from home in order to support its 2030 carbon neutrality goals. **In 2022, Ethias was awarded 4 stars on the Label Vélo Actif¹.**

¹ Initiative of the Walloon region and Wallonie Cyclable more info on <https://veloactif.be/>

Fleet electrification

Ethias has a fleet of 1.050 vehicles (company cars and benefit plan). In December 2021n we introduced a new fleet policy focused on green mobility, which has led to an intense electrification of the fleet. 62% of the cars ordered in 2022 are electric. As a result, nearly 45% of the Ethias fleet will have emissions below 50g CO2/km by the end of 2024. We also lowered the CO2 limit for fossil fuel powered-vehicles, which further reduces our carbon footprint.

1st Mobility/Less Carbon exhibition

From September 16 to 22, 2022, Ethias put soft mobility in the spotlight through various awareness-raising activities (Tous vélos Actifs Challenge, bike ride to our new building, Less Carbon exhibition highlighting soft mobility, including carpooling).

6.3.4.3 Building management

Electricity consumption increased by 27%, mainly as a result of employees going back to the office after the pandemic.

Natural gas consumption decreased by 27% by lowering the average temperature in our buildings and by closing our offices on Mondays and streamlining our office spaces.

Reduction of occupancy area

In 2022, Ethias continued its real estate initiative aimed at reducing the square meters of office space occupied and thus its carbon footprint. This approach is supported in particular by the implementation of remote work in combination with a desk sharing policy, in order to optimise work spaces.

Liège

In 2021, Ethias chose the location of its future offices in Liège, a brand new passive building (Breeam: excellent) in the brand new **Rives Ardentes eco-district**, which will reduce its current surface area by 25%.

The foundation stone was laid on 21/10/2022 and construction is in process.

Hasselt

In order to keep on reducing our surface area and achieving our carbon neutrality goal, Ethias renovated its Hasselt building and implemented a desk sharing policy, thus allowing a 40% reduction in the surface area per workstation. The areas will be **completely renovated** based on Ethias' needs with **high quality materials** and **state-of-the-art technologies by the end of 2023**. The final building will meet high quality and relatively strict technical criteria, equivalent to a **BREEAM Very Good certification**.

Energy optimization program

Ethias monitors the exact energy consumption of its various buildings and regional offices. Thanks to the installation of energy metering modules and presence detectors, we can take corrective or innovative measures to reduce our emissions.

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

When it comes to our buildings, we always choose eco-friendly building materials.

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).

6.3.4.4 100% green electricity

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

6.3.4.5 Green IT

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

With its IT subsidiary NRB, Ethias wants 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 organisations in order to **extend their lifespan**
- **digitalizing** NRB's **servers** to reduce the number of physical servers and therefore the energy requirements for power and cooling
- The commissioning of a **wind turbine** on January 26, 2022. Its goal is to produce 41% of NRB's energy needs.

6.3.4.6 Compensation for mailings

A partnership has also been concluded with bpost in order to ensure the **CO₂ offset of postal shipping**.

6.3.4.7 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.

Paper consumption

Ethias has continued its efforts to reduce paper consumption, in particular through the digitalization of its communication flows and awareness-raising campaigns carried out with its partners and employees. In 2022, paper consumption decreased from 2019 (base year, excluding lockdown): 50% less paper used.

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.

6.3.4.8 Suppliers and responsible purchasing

As part of its responsible procurement policy, the Ethias Procurement Department is looking for the best guarantees at the best conditions for the supply of goods and services. In 2022, Ethias completely reviewed its responsible procurement policy to include more sustainability criteria. These are set out in a charter that translates the principles in terms respect for human and environmental rights and to which each new supplier is asked to comply with.

Ethias ensures that calls for tenders for products and services include an ESG component by submitting ESG questionnaires to suppliers. Their answers influence the weighting for the tenders leading to the selection of the supplier. Ethias also ensures that the general conditions of all order forms include an article in which the supplier undertakes to **respect the basic principles of the International Labour Organization (ILO)** and to ensure that any subcontractor respects them.

Staff restaurant

Ethias offers its employees a catering service. It entered into a partnership with ISS Facility Services which offers:

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

Employees were given 6.5 tons of fruit throughout the year.

6.3.4.9 Regeneration and biodiversity

For several years, Ethias has been promoting biodiversity and the protection of bees by installing beehives in green spaces around its buildings in Alleur and Hasselt.

In 2022, Ethias is strengthening its efforts to protect biodiversity by joining forces with Natuurpunt to preserve the Zwarte Beek valley in Lummen. It is one of the last peat areas in Flanders, currently under great pressure due to climate change. Thanks to the financial support of Ethias and the Flemish Government, Natuurpunt will be able to acquire the necessary hectares to create a contiguous and robust nature reserve.

Water management is at the heart of this project, the objective being to allow this peaty area to regain moisture and thus play its role of storing CO₂, stimulating biodiversity, as well as acting as a buffer zone against flooding.

For Ethias, the protection of biodiversity is directly linked to its mission as insurer: more biodiversity contributes to the prevention of natural disasters, ultimately reducing the risk of claims and bringing more peace of mind to people and clients who live in high-risk areas.

6.3.5 Human impacts

Ethias would be nothing without the strength and commitment of its 1.952 employees! For Ethias, social cohesion and the well-being of its staff is an absolute priority that is directly in line with its ESG values and commitments.

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

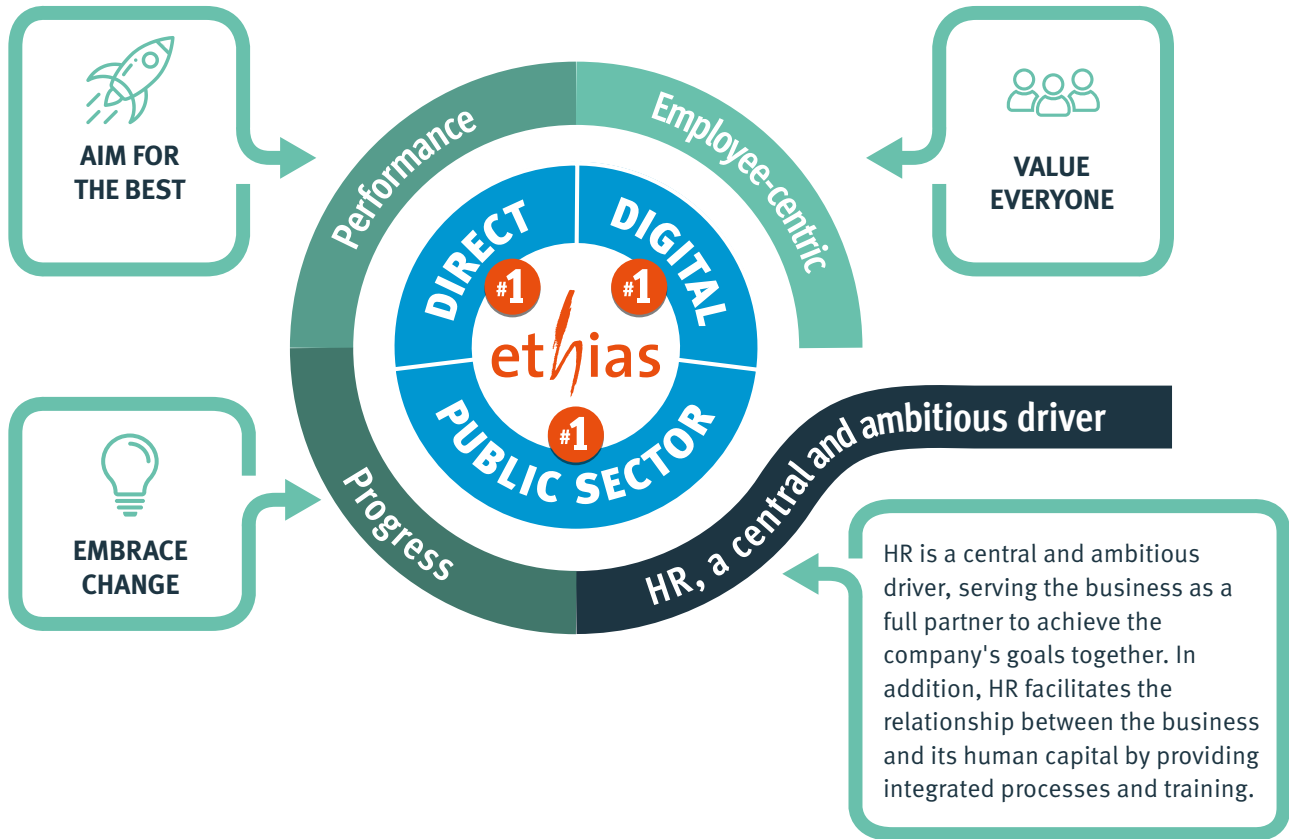
6.3.5.1 HR Mission

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

6.3.5.2 HR Vision

Ethias wants to create conditions that allow employees to give their best in order to maximize the company's performance and client satisfaction. To achieve this goal, HR works constructively with all stakeholders to create a working

environment where accountability and commitment, mutual respect and trust are of the utmost importance. Ethias truly listens to employees and managers. This provides a healthy balance between employees' needs and the company's.



6.3.5.3 HR Strategy

“DARING TO BE HUMAN TOGETHER”



Employer Branding

Employee Engagement Survey

In 2021, Ethias employees participated for the second year in a row in the Employee Engagement Survey. They were asked about their engagement and enablement. Areas of improvement are opportunities for Ethias to grow and optimise its working environment for the employees, the driving force of the company.

In 2022, the departments deployed their action plans.

- 82% of colleagues took the survey
- 86% see Ethias as a responsible company
- 85% believe in the company's values

Top Employer 2023 certification

In the spring of 2022, Ethias was given four weeks to complete a comprehensive survey: 400 questions on 600 practices, divided into 6 themes and 20 sub-themes with a focus on Leadership Development, Employee Listening and Purpose. On 17 January 2023, Ethias received confirmation that it had been awarded the Top Employer label for the second time.

Together@Home and Office

Hybrid work

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

Ethias still allows its employees to work from home voluntarily with 2 essential rules: the **Team Together Day** (i.e. the team must show up at the office at least once a week) and a **maximum of 3 days of remote work per week**.

This way, Ethias tries to find the right balance between face-to-face and remote work. By taking advantage of the benefits of distance learning, employees gain in flexibility, travel time, life balance... The company spares square meters while maintaining good productivity. All this without losing the social interactions and the corporate culture.

It is also important to ensure that people come to the office as much as possible on certain days of the week to strengthen relations between departments, facilitate the resolution of complex problems and stimulate innovation.

“Work from home” compensation

To reduce the costs of working from home, Ethias granted an allowance in 2022.

Re- & Upskilling Competencies

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

Onboarding

In 2022, the recruitment process happened more in person, even though video conference interviews also took place. 133 people were hired.

Internal promotion opportunities

Ethias’ employees have the necessary tools to keep on growing and changing positions within the company. In 2022, there were 177 transfers.

MyLearning

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

Number of training courses in 2022 and number of participants:

- 49 online courses (3.046 participants)
- 185 webinars (2.060 participants)
- 9 blended-learning (62 participants)
- 9 coaching sessions (1.235 participants)
- 238 lectures (5.344 participants)

The ratio of distance learning to face-to-face training is shifting back to face-to-face. Colleagues need to meet each other, it is part of our culture and values.

Well-being trainings

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

- Webinar: Gunnar Michielsen “communication web”.
- Training: Prevention of aggression
- Assertiveness training

Ethias Young Talent Development Program

The Young Talents program, created in 2021, was relaunched in 2022. This one-year program brings together employees who will work in different areas, with the help of the universities of Hasselt and Liège but also internal experts, so that they can put together an innovative project for Ethias.

Leadership@Ethias

In 2022, we repeated the Leadership@Ethias program. This time, it was the field managers' turn. In preparation for the program, an assessment interview was held with each field manager to assess their specific needs. We put together a program based on that interview.

Sustainable Career

MyLife@Ethias

Due to the uncertainties of life, but also the improvement of the standard of living, Ethias wants to pay more attention to sustainable growth and the preservation of resources, including human potential.

HR's ambition is to move forward, to improve and to anticipate needs.

This is why HR has embarked on a long-term project to listen to its employees and make their careers sustainable.

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

- **Early career:** young people up to 30
- **Mid-career:** +/- 40/45 years old, with 15 to 20 years experience
- **Late career:** +/- 55 years old

Senior Talent Program

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

1. Personal Profile (personality and self-knowledge tests)
2. PIT STOP 55+ interview with HR
3. Individual support if necessary.

The goal is to allow employees aged 55 (with 12 working years remaining) to reflect on their professional situation and their expectations for the rest of their career.

In 2023, 142 employees will be affected (born in 1966, 1967 and 1968). Starting in 2024, this process will be offered to employees who turn 55 that year.

The entire project will be carried out in close collaboration with management (upstream and downstream). This will allow us to remain consistent with business expectations and to work with management in a forward-looking manner (succession plan, etc.)

End of career plan

With the growing life expectancy and improving employment rate in Belgium, governments have increased the retirement age.

To support our senior employees in this change, Ethias offers end-of-career packages.

It was a success: 80% of the 99 employees concerned subscribed to one of the packages:

- 60% opted for a gradual reduction in their benefits at the end of their career through the Relay Time scheme.
- 25% chose to take their early retirement as soon as possible via the Fast scheme.
- 15% would rather work until their legal retirement by reducing their benefits at the end of their career while doing a new activity but on a voluntary basis via the Transition scheme.

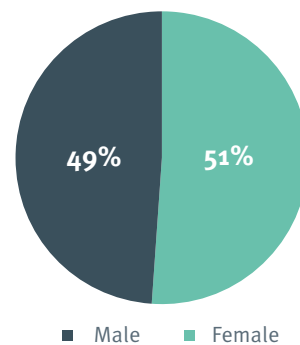
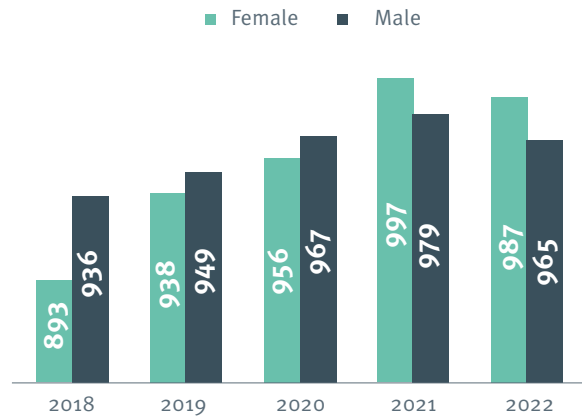
Diversity and inclusion

Diversity at Ethias is based on 4 pillars:

- **Gender** (male/female)
- **Age** (intergenerational dynamics)
- **Disability** (able-bodied/disabled)
- **Origin** (ethnic and cultural diversity)

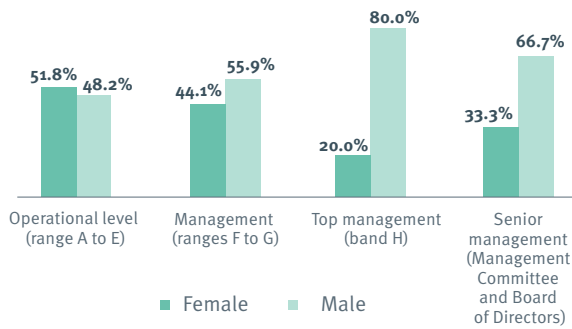
Gender (male/female)

At 31 December 2022, the company had 1.952 employees (987 women and 965 men).



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

GENDER DISTRIBUTION AS OF 31 DECEMBER 2022



We note that there is still an unequal distribution in management functions. Action plans for the next few years should lead to more equality at all levels.

Age (intergenerational dynamics)

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

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

In 2022, Ethias organized two YouthStart certifications in our offices, one in Hasselt and the other in Liège. As a reminder, YouthStart offers young people from disadvantaged backgrounds an 8-day training course, during which they can benefit from the help of a coach to develop a concrete project. At the end of the training, the participants present their projects to a jury composed of Ethias employees. Ethias supports YouthStart with €15.000 per year.

Disability (able-bodied/disabled)

Of 37 regional offices, 32 are **accessible to persons with reduced mobility** (26 are specially adapted and 6 are equipped with an access ramp or elevator).

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

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

Origin (ethnic and cultural diversity)

Ethias works on several mentoring projects. Ethias also finances the operations of this non-profit. Several colleagues act as mentors for job seekers with a migrant background who have difficulties in accessing the labour market. For staff

members who take up this challenge, Ethias offers the possibility to do mentoring work during their working hours.

In the Be.Face business network, companies pool their resources for the **inclusion of disadvantaged populations**.

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

12 people (3 NL and 9 FR) participate in the mentoring process via Mentoring@work (NL) and BeFace (FR)

We are here for you: Ethias' new tagline fits perfectly into the initiative **"De Warmste Werkuren"** inspired by De Warmste Week! In 2022, De Warmste Week, which took place in Hasselt, focused on the fight against poverty. Ethias called on all employees and managed to put in 400 hours overtime for the good cause. Ethias raised €17.850.

Prevention of psychosocial risks

Disconnect to connect

Ethias values the well-being of employees. They must be able to take the plug out from time to time so they can remain focused. This is why Ethias launched the internal campaign **Disconnect to connect** in 2021. Ethias wants to help its staff go through this process by providing information, tools and support.

Ethias launched our project on the right to disconnect in 2021. It was continued in 2022 with several communication campaigns **to raise awareness around the use of digital tools** and tips and tricks for working from home... Such campaigns also took place right before school breaks to raise awareness **to teach employees the best way to disconnect** (how to write the right automatic reply during leave).

We developed an e-learning available on our training platform with exercises and games related to disconnection for all colleagues. Ethias was **fully prepared for the publication of the right to disconnect** as part of the employment deal (implemented in 2023).

MyMindScan

MyMindScan (MMS) is an online tool that monitors mental resilience. By using six scientifically validated factors, MyMindScan identifies the resilience and personal profile of each colleague.

In 2022, several hundred employees used the platform.

My Workplace Options

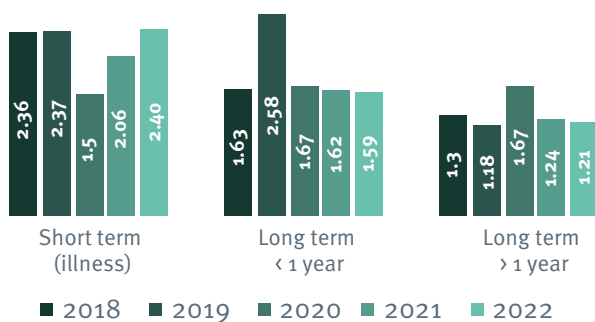
Since 2020 Ethias has been working with Workplace Options as an employee assistance program (EAP). Both colleagues and family members can receive free help and support in a variety of areas 24 hours a day, 7 days a week. They can get information, advice and/or support for issues that may affect their personal well-being or their work. These services and other resources available internally are highlighted all year long, for example on Mental Health Day.

Stronger absenteeism and reintegration management policy

In 2022, Ethias has further extended its policy by focusing on a preventive and proactive approach by informing and training management (through leadership journeys and awareness sessions with the support of the social unit and HRBP's). Ethias provides them with a series of tools to detect weak signals, to analyse their department figures, to initiate a professional and warm dialogue with the staff and to become even more involved in the reintegration into the workplace.

Reintegration after long-term sickness: a (formal and informal) process was started with the support of trade unions, human resources management and counsellors. In 2022, 22 people received support from the formal process and 86 from the informal process.

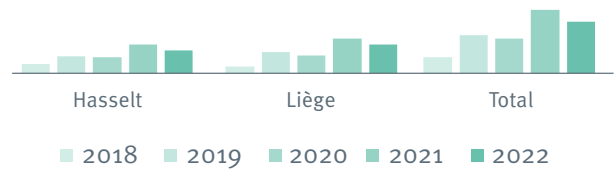
ABSENTEEISM RATE



Counsellors

Counsellors are part of the psychosocial unit. Their mission is broad, as they help employees with all issues related to violence, harassment or sexual harassment at work, but also stress, burn-out, conflicts, etc. Informal process aims at reintegrating colleagues after long-term absence.

IN 2022, 257 PEOPLE HAD AN APPOINTMENT WITH OUR COUNSELLORS (142 IN LIÈGE AND 115 IN HASSELT)



Continuous training of counsellors: as part of the charter that Ethias signed with the CEASE network (network of companies committed to fighting domestic violence), counsellors were trained in the management of gender-based violence.

First aid team

There are 60 first aiders at Ethias: 39 in Liège and 21 in Hasselt

Blood donation

73 employees gave blood at a blood centre

After an interruption due to COVID, blood drives took place in the Croisiers office on **May 31, 2022**: 46 donors for 37 bags and on **October 4, 2022**: 64 donors for 50 bags

Flu vaccine

237 people got a free vaccine shot against influenza

Staff Association

The Employee association was founded in 1959 and has 7.500 members (active colleagues and retired staff, their partner and children). It is better known as the Amicale or Vriendenkring.

In 2022, the activities of the Amicale were mainly oriented towards cohesion activities between staff members and on-site recovery in a more structural way. Breakfasts and snacks were provided once in a while throughout the year.

Weekend activities took place. The Geocaching challenge brought together 30 families for several weeks. Events for drivers and pedestrians also gathered 175 participants.

The big annual events such as Saint-Nicolas and the Egg Hunt took place as usual.

Some of our volunteers also helped in 2022 with the renovation of the Middelkerke apartments. Each employee can rent one of the two apartments on the Belgian coast for an affordable price. Ethias rents a vacation cottage on the heights of Malmedy under the same conditions.

6.3.6 Ethias' impact on society

6.3.6.1 Ethias Impact Fund

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

The purpose of this fund is to be the armed wing of Ethias' Sustainability strategy on the social and societal side for a concrete, visible and measurable impact for society, through a structured philanthropic policy.

In addition to financial donations, the Fund's mission is to create a vast network of partnerships on the ground that can be used to launch any so-called "double impact" action for society. In this way, Ethias intends to be not only a provider of financial resources, but also of time and expertise.

The fund will primarily support projects or associations related to the themes of its sustainability strategy:

- Fight against child poverty
- Health and environment (including the protection of nature, biodiversity, animals...).

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

The Management Committee, appointed by the FRB Board of Directors for a three-year term, is composed of 5 persons: Bruno Vanobbergen as chairman, Françoise Pissart as representative of the King Baudouin Foundation and Lucie Dewert, Bénédicte Passagez, Alain Flas as representatives of Ethias.

Bruno Vanobbergen was chosen as president for his expertise in the fight against child poverty and his knowledge of the associative field as well as for his sharing of Ethias' human values.

6.3.6.2 Ethias Youth Solidarity Awards

With a budget of €450.000, Ethias supports CPASs in the fight against youth poverty.

Ethias wants to help fight financial insecurity of young people and has therefore launched the first edition of the Ethias Youth Solidarity Awards. All Belgian CPASs were invited to submit a project to fight poverty amongst young people. These projects can be about cultural participation, access to education, budget support, etc.

Three out of ten young Belgians (30%) have already experienced poverty. More than a quarter of young Belgians (27%) have even asked help to a CPAS and more than three in ten (33%) regularly experience less pleasure in life because of financial worries. These are just some of the alarming figures that emerge from a survey of 1.000 young people aged between 16 and 30 about their financial situation. The independent research institute Indiville carried out the study at the request of Ethias.

Ethias Youth Solidarity Awards in figures:

- 130 CPASs responded to the call
- 102 projects were submitted
- 18 winners

«Too many young people cannot sleep at night because of their financial situation. With COVID, the problem has become even worse. Young people should be able to go out with their friends or family, go out to dinner or for a drink, or play sports and relax. As a top athlete, I know how important it is to have dreams and ambitions. That's why I support this initiative.»

Matthias Casse, Belgian Olympic medalist and ambassador of the Ethias Youth Solidarity Awards

6.3.6.3 Red Touch Challenge

In 2022, the Red Touch Challenge call for projects, organized by Ethias and the Red Cross Youth, was a great success with a total of 606 registrations and 20 projects.

Bénédicte Passagez, Head of Sustainability, was one of the members of the jury that **pre-selected 16 projects**. The 10 winning projects were chosen by public vote.

The winning projects tackle poverty, intergenerational and intercultural issues and mental health among youth. These projects can count on the methodological support of the Red Cross Youth and to the financial aid of €2.000 between February and June 2023.

6.3.6.4 Sponsoring & Partnerships

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

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

Ethias excludes any sponsorship of organisations that could associate its name with doping, corruption, violence, racism, incitement to hatred, addiction, public disorder, unethical beliefs, discrimination on the basis of race, gender, age, sexual orientation or conviction (for example homophobia, anti-Semitism, Islamophobia, etc.).

Festivals

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

Festivals: Pukkelpop, CORE-festival, Francofolies de Spa, Graspop Metal Meeting, Gent Jazz, Festival Dranouter, Cactus festival, Trakasspa, Baudet'stival, Dinant Jazz.

Culture

Cultural activities give us a new and broader view of aspects of our life and society.

Cultural actors: the Royal Opera of Wallonia, the National Orchestra of Belgium, the Royal Philharmonic Orchestra of Liege, etc.

Sports

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

Sports events: Ethias Cross, UCI World Cup Cyclocross, Ethias Tour de Wallonie, Grand Prix de Wallonie, Exterioo Cycling Cup, Woman Race, Euromillions Cup finals volley, Mon Ventoux, Ethias Challenges, Count Me In, Start to Tennis, Start to Golf.

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

National teams: Yellow Tigers & Red Dragons (volleyball) and Red Wolves (handball), as well as umbrella organisations (Sport Vlaanderen, Vlaams Instituut voor Sportbeheer en Recreatiebeleid (ISB), AES, LOS and AISF).

Wout van Aert, known as one of the best cyclists in the world, has become a real national pride! Ethias is proud to count him among its brand ambassadors since 2022 and to share with him strong ambitions and human values such as solidarity.



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

Social partnerships

Digital4Youth

Ethias makes its old ICT equipment available to Digital4Youth, an organisation that recycles this equipment and makes it available to young people in difficult situations.

In 2022, Ethias donated 284 computers, 51 tablets, 160 monitors, 33 printers and 2 projectors. NRB donated 592 computers.

Pelicano Foundation

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

In the autumn of 2022, the bees in the hives of the Hasselt headquarters and the regional office in Alleur produced their delicious honey. Just like in 2021, these jars of Ethias honey were sold to employees at a price of €8 for 250 grams. The collected money will be donated to the Pelicano Foundation in 2023.

For its end-of-year greetings, Ethias invited people to join in the fight against child poverty.

This action brought in €11.330 for Pelicano

Association Sint-Vincentius Genk & Restos du cœur Seraing

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

On the initiative of one of its employees in Liège, a similar action was undertaken in collaboration with the Restos du Cœur organisation in Seraing.

Social sponsoring

- Akcess de Prométhéa asbl
- Belgian National Orchestra
- Asbl Article 27
- Belgian Red Cross
- Les Territoires de la Mémoire
- Creccide asbl

Ethias also set up **prevention campaigns** by supporting, among others, **Fédémot, Apper and Houtopia**.

Ethias builds bridges with the academic world

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

UCL

The Ethias Chair "Pensions" has three goals:

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

HEC Liège

Ethias provides financial support for 4 years for a PhD thesis in the field of machine learning. This project focuses on the use of Belief Functions to describe decision making.

UAntwerpen

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

6.4. Sustainable investments

Sustainability at the heart of our investments

6.4.1 General approach

By taking ESG factors into account in its investment decisions, Ethias seeks to make a positive contribution to the main societal and environmental challenges of today. Ethias is concerned about the potential impact of investments on the financing of the energy transition and the creation of a fairer society. This role as responsible investor comes with a long-term responsibility, particularly in the management of legal and supplementary pensions and in supporting the economy.

As the latest reports of the Intergovernmental Panel on Climate Change (IPCC) and the discussions at the last COP27 have shown, climate change and its impacts are increasingly tangible. It is urgent to act to limit these impacts while creating the conditions for a just transition based on strong governance.

In 2022, Ethias pursued the path initiated in previous years, while also taking new initiatives. In this respect, two initiatives perfectly illustrate our approach.

6.4.1.1 Impact Finance Belgium

The idea of the Impact Finance Belgium Institute was born in 2022 with the aim of increasing the share of impact investment oriented capital in Belgium. Upon the launch of this association, the first Belgian Impact Day took place on November 30, 2022. Ethias supported this day which was a great success with several hundred participants gathered around this theme dear to the company.

6.4.1.2 Climate Fresk

Ethias is convinced that in order to act on climate change, we must understand it. This is exactly the purpose of the Climate Fresk workshop. This collaborative workshop helps you to get a quick grasp of the climate change challenge. The Ethias Asset Management department took part in the first workshop in June 2022.

6.4.2 Integration into investment governance

The inclusion of sustainability criteria in the investment policy is aligned with Ethias' corporate strategy. It is based on strong policies and concrete commitments that will adapt to ensure that the investment analysis goes beyond risk-return. The Ethias Sustainable and Responsible Investment Committee is in charge of developing, implementing and monitoring all the principles of the sustainable and responsible investment policy.

The Committee gathered regularly in 2022 to implement this policy based on two elements: ESG incorporation and active shareholding.

6.4.2.1 Integrating ESG criteria into our investment processes

Direct management

Ethias integrates ESG analysis into its investment processes and promotes sustainable and responsible investments in its selection process.

The use of external ESG data as well as the **ESG research partnership with HEC - ULiège** are important sources used for investment decisions.

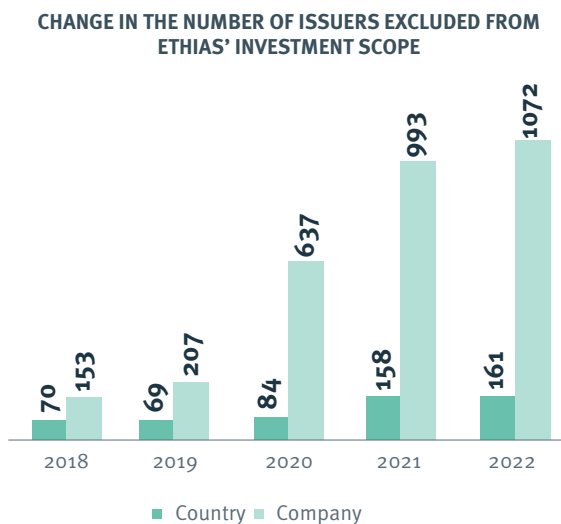
Delegated management

Ethias also places a high priority on working with managers who are **signatories to the United Nations Principles for Responsible Investment (UN PRI)**. In addition to this requirement, Ethias uses sustainable investment criteria in its management mandates.

6.4.2.2 Our exclusion policy

Since 2021, Ethias made exclusion criteria stricter, at least in line with the requirements of the Towards Sustainability label

In addition to incorporating ESG criteria into its investments, Ethias is continuously strengthening its exclusion policy. Created in 2005, this policy is based, since 2021, on at least the exclusion criteria of the **Febelfin Towards Sustainability label** and in some cases imposes even stricter rules than the label. As a result, an increasing number of issuers are excluded from the Ethias investment portfolio that do not meet our sustainability standards.



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. These initiatives are in line with the European **Green Deal** presented by the European Commission.

6.4.2.3 Our normative approach

For many years, Ethias has been a signatory of the **United Nations Global Compact** and the **United Nations Principles for Responsible Investment**. These two initiatives are key pillars of responsible investment, encouraging respect for fundamental human rights principles and the integration of sustainability criteria into investment processes.

6.4.2.4 Ethias as an active shareholder

Being a sustainably committed investor also means taking responsibility for our investment choices and their monitoring, as well as actively contributing to initiatives that bring together actors of change in these areas. As an active shareholder, Ethias pursues a voting policy and an engagement policy.

With regard to the implementation of its **voting policy** in 2022, Ethias participated in the Ordinary General Meeting of Montea on 17 May 2022, a company in which Ethias holds over 1% of the share capital. Ethias voted in favour of all the proposed resolutions with the exception of resolutions 6, 7, 11 and 16 (concerning issues related to remuneration policy), for which Ethias abstained.

As part of its **commitment policy**, in 2022, Ethias kept on working on the three collaborative initiatives it joined in 2021, but not exclusively.

Partnership for Biodiversity Accounting Financials (PBAF)

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

Ethias is the first Belgian player to join PBAF.

www.pbafglobal.com

Belgian Alliance for Climate Action (BACA)

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

Ethias is among the first Belgian insurers to join BACA.

www.belgianallianceforclimateaction.org

Climate Action 100+

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

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

<https://www.climateaction100.org>

Science Based Targets Initiative (SBTi)

In line with the commitment made in 2021 when joining BACA, Ethias joined SBTi in 2022. This strong commitment aims to file and have validated by an independent body (within a maximum of 2 years), a plan containing intermediate decarbonization targets (based on recognized scientific methods) in order to achieve carbon neutrality in line with the objectives of the Paris Climate Agreement.

<https://sciencebasedtargets.org>

6.4.3 Our investment portfolio

Ethias is progressively orienting its investments towards sustainable economic development by integrating envi-

ronmental and social factors into its decisions. All assets managed by Ethias are potentially eligible for ESG criteria, whether they are invested directly by the internal management team or through external mandates or funds. Our approach is progressive and pragmatic, considering that the integration of ESG criteria in our management requires time and maturity.

In relation to our total assets under management, a large majority of investments are analysed. However, the depth of data available varies greatly depending on the type of investment. In relation to the €16.5 billion of assets under management, including unit-linked contracts, Ethias has ESG data in relation to €11.6 billion. The breakdown of these assets according to the data used to analyse them is shown below.

in million Euros	Eligible outstanding amounts for which data is available			Eligible outstanding amounts for which data is lacking	Non-eligible outstanding amounts
	Outstanding amounts covered by MSCI	Investment fund-related data	Data related to the place-based repositories		
Shares	0	0	0	420	0
Equities	341	807	0	212	0
Government bonds and similar	5,755	113	157	1,365	0
Corporate bonds	2,329	755	157	1,147	0
Investment properties	287	42	165	376	0
Mortgage loans	0	116	0	422	0
Alternative investments	58	330	90	308	0
Derivative instruments	0	0	0	0	134
Cash and cash equivalents	0	119	0	0	539
Total	8,771	2,281	569	4,250	673
Percentage	53 %	14 %	3 %	26 %	4 %

The scope of outstanding amounts analysed mainly concerns sovereign and private issuers for which Ethias has sufficient data. To this end, Ethias uses the services of the extra-financial rating agency MSCI to obtain qualitative and quantitative data on the issuers invested in its portfolio. MSCI uses a rating scale that assesses these issuers on a scale ranging from 0 (worst company in its sector) to 10 (best company in its sector)².

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

Most investment funds are required to provide Ethias with a set of quantitative and qualitative data on the ESG indicators of the investments made in their funds. We rely primarily on this data to analyse the funds involved. This includes understanding how managers approach the SFDR regulation.

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

² MSCI's overall ESG rating is calculated for each issuer as a weighted sum of its three independent scores, with a weighting depending on the issuer's industry. The calculated score is then adjusted for each issuer, qualitatively, according to the sector's peers. This rating is then weighted at the level of the Ethias portfolio according to the fair value of the outstanding amounts at the closing date.

6.4.4 Main achievements

6.4.4.1 Scope of private issuers

The scope of analysis of private issuers covers both Ethias' investments in shares and corporate bonds. Within this scope, the percentage of outstanding amounts for which we have MSCI data is 54%. **At the end of 2022, the average rating of these corporate issuers covered by MSCI is 7.3/10, equivalent to an extra-financial rating of AA.** This good performance can be explained by the fact that Ethias, thanks to its policy excluding activities linked to fossil fuels, invests to a limited extent in sectors where environmental risk is more heavily weighted than social or governance criteria. The percentage of coverage (54% of the scope of analysis) is explained by 17% of the scope of analysis being "not quoted" including participations such as NRB or NEB or loans.

As regards the scope of issuers not covered by MSCI, Ethias has continued to invest in companies and projects that contribute to an environmental and/or societal goal. These private investments are made in both shares and debt.

Through investments that contribute to an environmental goal

Ethias invests in the transition towards a low-carbon economy.

Over the past few years until recently, Ethias has increased its investments in the renewable energy sectors supporting the energy transition. This transition was made for example:

- Indirectly through investments in funds specializing in infrastructure assets dedicated to energy or the purchase of listed shares
- Directly through the financing or participation in the capital of companies or financing vehicles. For instance,
 - Third-party investment in photovoltaic, cogeneration, electric charging stations
 - **Green4You:** capital and financing of a joint venture with Luminus, as developer
 - **Geen4Power:** financing for a vehicle developed by Perpetum, as developer
 - **PCRE** (Power Capital Renewable Energy) which aims to install 1.2 Gw in Ireland with leading users such as Microsoft
 - **Storm Holding:** injection of capital in a holding company aiming at the development of on-shore wind energy in Belgium
 - **Fluxys Group:** participation in a major player in green hydrogen and CO₂ transport

In addition to these investments in assets directly related to energy, we also include this in our direct investments. A few examples:

- **OfficeCenter:** this loan funds charging stations for electric vehicles with an interest rate level that is dependent on the achievement of ESG objectives

- **WDP « Chocolate Box »:** Ethias financed the world's largest and most sustainable chocolate warehouse. It is the first building in the Benelux to be certified "BREEAM Outstanding", the highest standard for sustainable logistics. It is the first building in the Benelux to be certified "BREEAM Outstanding", the highest standard for sustainable logistics.

A low-carbon society is also a society that promotes soft mobility. Ethias supports this sector through its investments in debt issued by Infrabel or Deutsche Bahn or private debt funds in infrastructure in this sector (electrified transport).

Finally, Ethias aims to integrate investments in favour of biodiversity. In this context, Ethias participates in financing the growth of Biobest, based Flanders and global player in the biological crop protection and pollination market.

Through investments with added value for society Ethias invests in socially-oriented structures

In line with its sustainable development goals, Ethias plays an active role in Belgium by supporting societal initiatives. We are particularly involved in the health sector through the financing of hospitals and nursing homes.

We also finance **scientific research** through different types of investments such as the Qbic Feeder Fund, ICC UGent, ICAB VUB or Gimv Health & Care Fund. In 2022, we supported the I Keep It Cool project, which aims to develop a refrigerated vaccine transport solution. This need emerged during COVID, but is also very present in Africa.

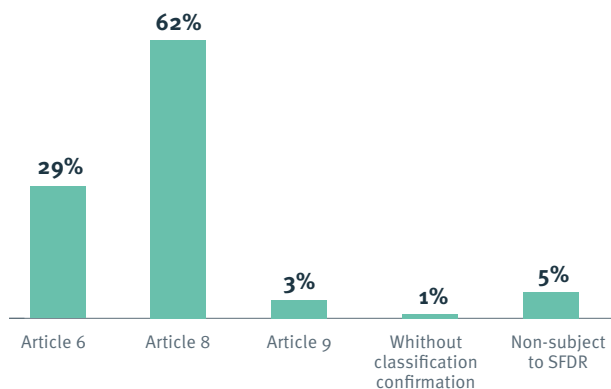
Through financial participations in various fields that are important for **strengthening solidarity:** social loan companies, housing companies, microfinance organisations, social economy funds, support for various associations and alternative finance organisations or impact funds.

In 2022, for example, we invested in the **SDG Frontier Fund**, which was created at the initiative of BIO, the Belgian investment company for developing countries. The fund aims to support sustainable economic growth in emerging markets in Africa and Asia.

Again, through investments in infrastructure that benefit the greatest number of people and promote integration but also foster economic development. This is the case of the optical fiber with an awareness of its usefulness during the pandemic to maintain contacts but also to promote remote work. Ethias takes a significant capital and financial stake in **GoFiber in the form of a PPP - Public Private Partnership**, an open fiber optic network developed with Proximus and the German-speaking community. This will allow a whole region to be connected while it suffers from many dead zones.

6.4.4.2 Scope of sovereign issuers

This scope of analysis covers bonds issued by states and regions. Within this scope, the percentage of outstanding amounts for which we have MSCI data is 85 %. **In 2022, the average rating of sovereign issuers is 5.9/10, equivalent to an extra-financial rating of A.** The average rating of Ethias' sovereign issuers is aligned with that of Belgium: A. This rating of Belgium is explained by a low E-score (due to a risky management of energy and water resources), which does not prevent Belgium from being positioned in the first quartile according to the rating distribution of countries in the same region as Belgium according to MSCI (i.e. the region "Europe and Central Asia").



6.4.4.3 Scope of investment funds

Sustainability criteria are an integral part of the selection process for funds invested or produced by Ethias. These investment funds account for 14% of outstanding amounts.

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

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

Moreover, the entry into force of the European SFDR (Sustainable Finance Disclosure Regulation) has accelerated the exchange of information between external fund managers and Ethias. Managers must communicate transparently on the inclusion of ESG criteria in their investment process. In this context, most of them have informed us and explained the classification of their fund in article 6, 8 or 9 according to the degree of consideration of sustainability factors. These classifications are currently being assessed by Ethias, in particular through an analysis of the criteria used by managers to classify their assets as sustainable investments within the SFDR. As of 12/31/2022, based on its internal analysis, Ethias has reclassified 332 million funds from Article 9 to Article 8.

The breakdown of funds invested by Ethias – 14% of assets under management –; according to the SFDR classification is as follows

<i>In thousand euros, in market value</i>	Investment funds
Article 6	699
Article 8	1,498
Article 9	84
Without confirmation of classification	16
Not subject to SFDR	132
TOTAL	2,430

Non-listed asset funds such as private debt or private equity also allow us to deploy investments with an ESG angle even more directly. We can mention in particular

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

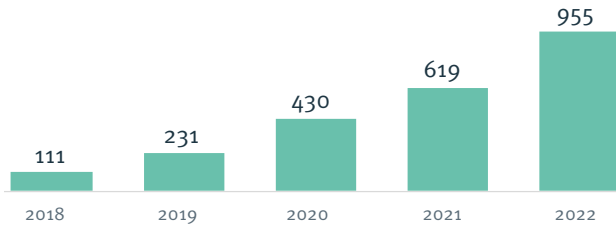
Ethias is constantly increasing the proportion of its investments in these economically relevant strategies, with a focus that is strongly linked to our ESG goals.

6.4.4.4 Scope of green, social, sustainable or ESG performance bonds

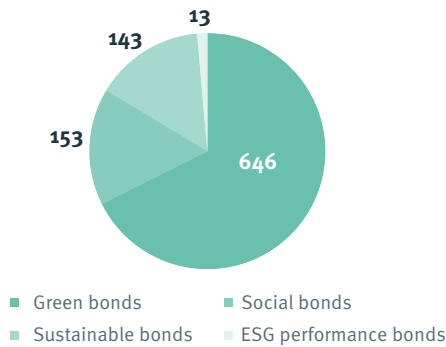
Sustainability Bonds, Green Bonds and Social Bonds are issued for the purpose of financing one or more existing projects in development or new projects that can be identified and qualified as "sustainable". Bonds linked to ESG performance are assets whose characteristics (such as coupon) are linked to ESG performance.

In 2022, Ethias continued to invest in such bonds, so that this investments portfolio reached an amount of €955 million at the end of the year. This represents an increase of 54% compared to 2021 and 122% compared to 2020:

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



ALLOCATION OF 955 MILLION IN GREEN, SOCIAL, SUSTAINABLE OR ESG PERFORMANCE BONDS (2022)



Of particular note are the first two "Bonds linked to ESG performance", i.e. a loan granted to Officenter where there is a possibility of coupon rebate depending on the operational activity of the solar panels of the office buildings owned by Officenter, as well as a SNAM bond with ESG covenants and which has a step-up coupon if they are not respected.

6.4.4.5 Scope of direct and indirect investments in passive and sustainable real estate

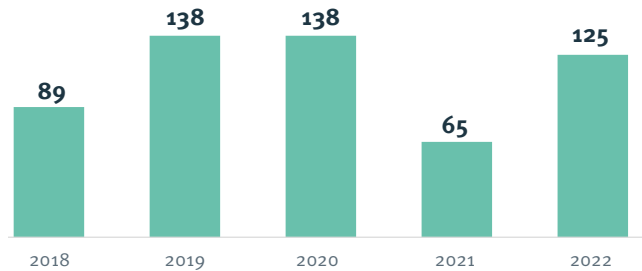
While paying particular attention to meeting the most demanding ESG criteria, Ethias was very active in the real estate market in 2022, both in direct and indirect investments.

In direct investments, Ethias won the tender of the ULiège to build (in partnership with Moury and Quares) nearly 600 student housing units in the Sart-Tilman. 190 units will be at a reduced rate (close to the social rate) in order to make them affordable for more financially disadvantaged students. Ethias has also committed to acquire the first carbon-neutral office building in Brussels, which will house the headquarters of CFE and Capitalatwork by the beginning of next year and on the long term.

In indirect real estate investments, Ethias has taken stakes in various funds for which meeting ESG standards is a must. Ethias has chosen to diversify its holdings in order to cover different asset classes throughout Belgium:

- **Vicinity** 's goal is to provide flexible and affordable residential units for middle class people. The fund pays equal attention to environmental (building techniques that reduce energy consumption), social (creating inter-generational communities of residents) and financial (controlling energy costs) impacts.
- **Revive**, whose goal is to revive former industrial wastelands and abandoned land in city centres to make them the green urban centres of tomorrow.
- **Zabrixx**, whose goal is the redevelopment and decontamination of former industrial sites in order to turn them into residential buildings or care units.
- **Canius**, whose goal is to reduce social inequalities in terms of access to property while offering new low-energy housing.
- **Eiffage**, whose goal is to acquire land in order to develop residential projects that can accommodate the eco-districts of the future.
- Offices with Cityforward, whose goal is to acquire dilapidated buildings in urban centres in order to transform them and thus improve their carbon footprint.

INVESTMENTS MADE EACH YEAR IN OFFICE & LOGISTICS BUILDINGS WITH A RECOGNIZED CERTIFICATE ON THE REAL ESTATE MARKET, IN VALUE OF BUILDING (IN MILLION EUROS)



6.4.5 Responsible investment products in life insurance contracts

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

6.4.5.1 For our institutional clients

Through the Global 21 Ethical Fund

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

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

Through the “Ethical” sub-fund of the Ethias Life Fund offered in our dedicated asset funds: The objective of this sub-fund is to invest in units of funds that invest in shares and/or bonds of companies that integrate ecological, social

or ethical criteria into their long-term strategy and are certified Towards Sustainability by Febelfin.

6.4.5.2 For our retail clients

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

6.4.6 Investments in the Belgian economy

As a Belgian institutional investor with close ties to local, regional and federal governments and as the leading insurer of local public entities, Ethias allocates a significant part of its investments to the economic support of all public actors in the country.

The investments are diversified across local, regional and federal actors, as well as across asset classes. Investing in the Belgian economy, which has been affected by successive crises, and enabling economic players to recover and develop in a sustainable manner is clearly part of our strategy of investment and local and responsible development. Ethias invests €5.2 billion (out of €14.9 billion of assets under management, excluding unit-linked contracts) in the Belgian economy.

<i>in million Euros</i>	Fair value of investments in the Belgian economic fabric as at 31/12/2022	Fair value of investments in the Belgian economic fabric as at 31/12/2021
Shares	418	398
Equities	412	536
Government bonds	2,176	3,230
Corporate bonds	323	426
Investment properties	827	681
Mortgage loans	263	265
Alternative investments	402	304
Cash and cash equivalents	348	287
Total	5,168	6,125

In 2022, Ethias was very active on the Belgian private equity market, both in real estate and in alternative investments. Despite its small team, Ethias is now recognized in the market as a player that can meet the financing needs of infrastructure, real estate and PPP projects in Belgium. The share of investments in the Belgian economy has increased mainly through investments in alternative investments and real estate. The decrease in government and corporate bonds is mainly due to the effect of rising interest rates on the market value of these bonds.

Among the alternative investments, Ethias has made €80 million available at the end of 2021 alongside the Belgian regions and state to boost the economy. Indeed, Ethias has invested in the 4 recovery plans, namely the Belgian Recovery

Fund for the Federal Government, the Welvaartsfonds for Flanders, the AMERIGO fund for Wallonia and Boosting Brussels for Brussels. As a Belgian player and responsible investor, Ethias supports these economic recovery plans and invests in the funds created to help companies. These funds take into account ESG criteria (Environment, Social & Governance) in their interventions, which are also fundamental criteria for Ethias.

In addition to these funds, Ethias provides financial support to several different **regional investment bodies**, to directly support local or smaller companies or those in the start-up phase. In the same logic, we are invested in the Private Equity fund “**Belgian Growth Fund**” which aims to support growing Belgian companies by selecting specialized funds.

6.5. EU Taxonomy

6.5.1 Non-life underwriting activities eligible for the European taxonomy

As of 31/12/2022, Ethias' economic activities eligible for the European taxonomy (Taxonomy Regulation (EU) 2020/852) are those that substantially contribute to the achievement of the following environmental objectives: (i) climate change mitigation and (ii) climate change adaptation.

Ethias' non-life underwriting activities that are eligible for the European taxonomy are those whose written premiums in the 2022 accounting year include a climate change coverage component as set out in article 10.1 of the Taxonomy Complementary Climate Delegated Act. To determine the amount of cash received from these activities, Ethias has selected insurance premiums from the following accounting categories: "Fire and other damage", "Marine aviation and transport", "Motor other".

The "Fire and other damages" branch includes the income of fire and all risks.

The "Marine aviation and transport" branch includes the income of transport coverages.

The "Motor other" branch includes the income of motor insurance, excluding civil liability.

Taking into account the selection criteria mentioned above, Ethias' non-life underwriting activities eligible for the European taxonomy amount, at the end of 2022, to:

Insurance lines under Solvency II categories	Premiums collected on the basis of premiums written in 2022
Fire and other damages	€271,806,679.31
Marine, aviation and transport insurance	€285,479.55
Motor other	€195,953,697.31
Total	€468,045,856.17
Total Income Non Life	€1,491,995,636.37
% taxonomy eligibility	31.37%

In 2022, based on the 2021 income, the taxonomy-eligible portion was 13.94%. The difference with 2023, based on the 2022 income, is twofold:

- Ethias SA's Non-Life premium income is growing.
- In the previous year, we only took into account the portion of premiums related to the CATNAT coverage.

6.5.2 Investments eligible for the European taxonomy

The proportion of the insurance or reinsurance undertaking's investments that are directed at funding, or are associated with, Taxonomy-aligned in relation to total investments

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities **relative to the value of total assets covered by the KPI**, with following weights for investments in undertakings per below:

The weighted average value of all the investments of insurance or reinsurance undertakings that are directed at funding, or are associated with Taxonomy-aligned economic activities, with following weights for investments in undertakings per below:

Turnover-based:	2.14 %	Turnover-based:	€211,276,480.96
Capital expenditures-based:	/	Capital expenditures-based:	/

The percentage of assets covered by the KPI relative to total investments of insurance or reinsurance undertakings (total AuM) Excluding investments in sovereign entities.

The monetary value of assets covered by the KPI. Excluding investments in sovereign entities.

Coverage:	59.56 %	Coverage:	€9.852,691,827.40
-----------	---------	-----------	-------------------

Additional, complementary disclosures: breakdown of denominator of the KPI

The percentage of derivatives relative to total assets covered by the KPI.

The percentage of derivatives relative to total assets covered by the KPI.

1.36 %	133,773,559.23 €
--------	------------------

The proportion of **exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:

Value of **exposures to financial and non-financial undertakings not subject to Articles 19a and 29a of Directive 2013/34/EU**: For non-financial undertakings:

For non-financial undertakings:	60.48 %	For non-financial undertakings:	€5,958,601,869.55
For financial undertakings:	0.00 %	For financial undertakings:	€ 0.00

The proportion of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:

Value of **exposures to financial and non-financial undertakings from non-EU countries not subject to Articles 19a and 29a of Directive 2013/34/EU**:

For non-financial undertakings:	8.70 %	For non-financial undertakings:	€856,851,610.88
For financial undertakings:	0.00 %	For financial undertakings:	€ 0.00

The proportion of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU** over total assets covered by the KPI:

Value of **exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU**:

For non-financial undertakings:	17.34 %	For non-financial undertakings:	€1,708,475,165.72
For financial undertakings:	5.57 %	For financial undertakings:	€548,654,695.73

The **proportion of exposures to other counterparties** over total assets covered by the KPI:

Value of **exposures to other counterparties**:

6;56 %	646,334,926.29 €
--------	------------------

The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:

Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned economic activities:

0;13 %	13,247,088.57 €
--------	-----------------

The value of all the investments that are funding economic activities that are not Taxonomy-eligible relative to the value of total assets covered by the KPI:

Value of all the investments that are funding economic activities that are not Taxonomy-eligible:

85;87 %	8,460,077,401.57 €
---------	--------------------

The value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned relative to the value of total assets covered by the KPI:

Value of all the investments that are funding Taxonomy-eligible economic activities, but not Taxonomy-aligned:

12,00 %	1 182 433 194,24 €
---------	--------------------

Additional, complementary disclosures: breakdown of numerator of the KPI

The proportion of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU over total assets covered by the KPI:

For non-financial undertakings:

Turnover-based:	1.62 %
Capital expenditures-based:	/

Value of Taxonomy-aligned exposures to financial and non-financial undertakings subject to Articles 19a and 29a of Directive 2013/34/EU:

For non-financial undertakings:

Turnover-based:	€159,852,135.13
Capital expenditures-based:	/

For financial undertakings:

Turnover-based:	0.00 %
Capital expenditures-based:	/

For financial undertakings:

Turnover-based:	€ 0.00
Capital expenditures-based:	/

The proportion of the insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:

Turnover-based:	0.03 %
Capital expenditures-based:	/

Value of insurance or reinsurance undertaking's investments other than investments held in respect of life insurance contracts where the investment risk is borne by the policy holders, that are directed at funding, or are associated with, Taxonomy-aligned:

Turnover-based:	€3,006,061.23
Capital expenditures-based:	/

The proportion of Taxonomy-aligned exposures to other counterparties in over total assets covered by the KPI:
Turnover-based:

Turnover-based:	0.52 %
Capital expenditures-based:	/

Value of Taxonomy-aligned exposures to other counterparties over total assets covered by the KPI:

Turnover-based:	€51,424,345.83
Capital expenditures-based:	/

Breakdown of the numerator of the KPI per environmental objective

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

Environmental Objective	Turnover	CapEx	Transitional activities:	
			Turnover	CapEx
(1) Climate change mitigation	1.87%	/	/	/
	/	/	Enabling activities:	
	/	/	Turnover:	/
	/	/	CapEx:	/
(2) Climate change adaptation	0.06%	/	Adapted activities:	
	/	/	Turnover:	/
	/	/	CapEx:	/
	/	/	Enabling activities:	
/	/	Turnover:	/	
/	/	CapEx:	/	
(3) The sustainable use and protection of water and marine resources				
(4) The transition to a circular economy				
(5) Pollution prevention and control				
(6) The protection and restoration of biodiversity and ecosystems				

6.6. Partnerships and memberships

6.6.1 Entry into the United Nations Global Compact

In 2022, Ethias renewed its membership to the UN Global Compact (became a member in 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"> • Human impacts for our employees • Ethias' impacts on society • Joint Ethics Committee • Integrity policy • Social Ethical Code • Sustainable investment policies • UN PRI / UN PSI
Make sure that they are not complicit in human rights abuses	<ul style="list-style-type: none"> • Sustainable and responsible procurement policy • Sustainable investment policies • UN PRI / UN PSI
Uphold the freedom of association and the effective recognition of the right to collective bargaining;	<ul style="list-style-type: none"> • Social governance (social code of ethics) • UN PRI / UN PSI
Contribute to the elimination of all forms of forced or compulsory labour	<ul style="list-style-type: none"> • Sustainable and responsible procurement policy • UN PRI / UN PSI
Contribute to the effective abolition of child labour	<ul style="list-style-type: none"> • Sustainable and responsible procurement policy • UN PRI / UN PSI
Contribute to the elimination of discrimination in respect of employment and occupation.	<ul style="list-style-type: none"> • Diversity Charter • "Women in Finance" charter • Talent Management policies (young talents, senior talents)
Support a precautionary approach to environmental challenges	<ul style="list-style-type: none"> • Change Over (towards carbon neutrality) and carbon offset projects • Sustainable investment policies • UN PRI / UN PSI / PBAF / Climate Action 100+ / BACA / SBTi / Natuurpunt Partnership
Take initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"> • Change Over (towards carbon neutrality) and carbon offset projects • CO₂ emissions balance • Actions in favour of multimodal mobility • SBTi • UN PRI / UN PSI
Encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none"> • Responsible suppliers • Strategic choices of renovation • SBTi • UN PRI / UN PSI
Work against corruption in all its forms, including extortion and bribery	<ul style="list-style-type: none"> • Integrity policy and whistle blowing procedure • Sustainable investment policies • UN PRI / UN PSI

References

- See chapter “human impacts” (p.26)
 - See chapter “Ethias’ impacts on society” (p.32)
 - See chapter “Ethias’ history of sustainability” (p.20)
 - See chapter “our policies, charters and codes” (p.23)
 - See chapter “Ethias’ history of sustainability” (p.20)
 - See chapter “sustainable investments” - “sustainability at the heart of our investments” (p.34)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
-
- See chapter “suppliers and responsible purchasing” (p.26)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
-
- See chapter “our policies, charters and codes” (p.23)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
-
- See chapter “suppliers and responsible purchasing” (p.26)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
-
- See chapter “suppliers and responsible purchasing” (p.26)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
-
- See chapter “our policies, charters and codes” (p.23)
 - See chapter “diversity and inclusion” - “gender (male/female)” (p.29)
 - See chapter “HR strategy” - “re- and upskilling competencies” - “sustainable career” - “diversity and inclusion” (p.27-29)
-
- See chapter “environmental impacts” - “Change Over: towards carbon neutrality!” (p.24)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
 - See chapter “Ethias as an active shareholder” (p.35)
-
- See chapter “environmental impacts” - “Change Over: towards carbon neutrality!” (p.24)
 - See chapter “carbon balance 2022” (p.24)
 - See chapters “an increasingly sustainable product range” “mobility” (p.9-10) - and “a mobility policy for employees” (p.24-25)
 - See chapter “Ethias as an active shareholder” (p.35) - “ambitions 2023” (p.50)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
-
- See chapter “suppliers and responsible purchasing” (p.26)
 - See chapter “building management” (p.25)
 - See chapters “Ethias as an active shareholder” (p.35) - “ambitions 2023” (p.50)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
-
- See chapter “our policies, charters and codes” (p.23)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)
 - See chapter “sustainable investment” - “sustainability at the heart of our investments” (p.34)

6.7. SDG framework

Each of the 6 Sustainable Development Goals has been detailed by targets or sub-goals (169 in total) defining the priorities to be achieved by 2030. Fully integrated into Ethias' Sustainability strategy, they serve as a framework for our actions and commitments.

Related SDGs	Targets and sub-goals
	<p>End poverty in all its forms everywhere</p> <p>To eradicate extreme poverty worldwide</p>
	<p>Ensure that all men and women, especially the poor and vulnerable, have equal rights to economic resources and access to basic services, land ownership, control over land and other forms of property, inheritance, natural resources, and new technologies and financial services appropriate to their needs, including microfinance</p>
	<p>Build the resilience of the poor and vulnerable and reduce their exposure to and vulnerability to extreme weather events and other economic, social and environmental shocks and disasters</p>
	<p>Implement sustainable national, regional and international policy frameworks based on pro-poor and gender-sensitive development strategies to accelerate investment in poverty eradication measures</p>
	<p>Ensure healthy lives and promote well-being for all at all ages</p> <p>Promoting mental health and well-being</p>
	<p>Reduce by half the number of road traffic deaths and injuries worldwide</p>
	<p>Ensure that everyone has universal health coverage, including financial risk protection and access to quality essential health services and safe, effective, quality and affordable essential medicines and vaccines</p>
	<p>Make cities and human settlements inclusive, safe, resilient and sustainable</p> <p>Ensure access to adequate, safe, and affordable housing and basic services for all, and clean up slum areas</p>
	<p>To significantly reduce the number of casualties and people affected by disasters, including water-related disasters, and to significantly reduce the amount of economic loss that is directly attributable to such disasters as a proportion of global gross domestic product, with an emphasis on protecting the poor and vulnerable</p>
	<p>Ensure access for all to safe, accessible and sustainable transport systems at an affordable cost by improving road safety, including the development of public transport, with particular attention to the needs of the vulnerable, women, children, the disabled and the elderly</p>
	<p>Promote positive economic, social and environmental linkages between urban, suburban and rural areas by strengthening development planning at the national and regional levels.</p>

Actions and commitments	References
<ul style="list-style-type: none"> • Pelicano • Red Touch Challenge (poverty) • Warmste Week 	<ul style="list-style-type: none"> • Social Partnerships (p. 33) • Ethias' impact on society (p. 32) • Diversity and Inclusion (p. 29-30)
<ul style="list-style-type: none"> • Ethias Youth Solidarity Awards • Social housing agencies Whestia • Land ownership: partnership with the housing fund for large families in Wallonia and Vlaams Huurdersplatform in Flanders • Partnership with YouthStart 	<ul style="list-style-type: none"> • Ethias' impact on society (p. 32) • Partnerships (p. 9-10) • Partnerships (p. 9) • Partnerships (p. 10) • Diversity and Inclusion (p. 29-30)
<ul style="list-style-type: none"> • Prevention and compensation • Integration of climate risks in our products and activities 	<ul style="list-style-type: none"> • A range of sustainability services - Prevention - Urban data (p. 12) • Compensation for natural disasters: a top priority (p. 8) • Emerging/climate risks (p. 56-57)
<ul style="list-style-type: none"> • Ethias Impact Fund (particularly in its “fight against child poverty” component) 	<ul style="list-style-type: none"> • Ethias' impact on society (p. 32)
<ul style="list-style-type: none"> • Well Being policy and Top Employer certification for the 2nd consecutive year • Ethias Services 'Beyond Insurance' (psychological support, managing psychosocial risks, skill management ...) • Red Touch Challenge (youth mental health) 	<ul style="list-style-type: none"> • Human impacts - HR strategy (p. 27-29) • Beyond Insurance: Ethias' services (p. 11-12) • Ethias' impact on society (p. 32)
<ul style="list-style-type: none"> • Prevention campaign • Ethias Services “Beyond Insurance” 	<ul style="list-style-type: none"> • Partnership with Exia (p. 12)
<ul style="list-style-type: none"> • Healthcare product range (Hospi Quality, Garanti Servi+ for Hospi Quality+ and Hospi Next+ products through a partnership with the collaborative economy platform Ring Twice) 	<ul style="list-style-type: none"> • An increasingly sustainable product range - Health (p. 9)
<ul style="list-style-type: none"> • Social housing agencies • Land ownership: partnership with the housing fund for large families in Wallonia and Vlaams Huurdersplatform in Flanders • Whestia 	<ul style="list-style-type: none"> • Partnerships (p. 9-10) • Partnerships (p. 10) • Partnerships (p. 9)
<ul style="list-style-type: none"> • Prevention • Compensation via CatNat covers 	<ul style="list-style-type: none"> • A range of sustainability services - Prevention - Urban data (p. 12) • Compensation for natural disasters: a top priority (p. 8)
<ul style="list-style-type: none"> • Our mobility product range (Ethias Young Drivers, Bike & More, Mobility Pack, collaboration with Blue Bike for bike sharing, Mobility & More insurance) 	<ul style="list-style-type: none"> • An increasingly sustainable product range (p. 9-10)
<ul style="list-style-type: none"> • Partnership with the collaborative economy platform Ring Twice 	<ul style="list-style-type: none"> • An increasingly sustainable product range (p. 9)



Ensure sustainable consumption and production patterns

Significantly reduce waste generation through prevention, reduction, recycling and reuse

Promote sustainable procurement practices in accordance with national policies and priorities

Ensure that all people, everywhere in the world, have the information and knowledge necessary for sustainable development and a lifestyle in harmony with nature

Rationalize wasteful fossil fuel subsidies, eliminating market distortions, as appropriate to the national context, including through fiscal restructuring and the phasing out of harmful subsidies, to reflect their environmental impact, taking full account of the specific needs and circumstances of developing countries and minimizing potential adverse effects on their development while protecting the poor and affected communities



Take urgent action to combat climate change

Incorporate climate change measures into national policies, strategies and planning

Improve education, awareness, and individual and institutional capacity for climate change adaptation, mitigation and impact reduction, and early warning systems



Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Structural issues Multi-stakeholder partnerships:
Encourage and promote public, public-private, and civil society partnerships, building on past experience and funding strategies

Finance:
Use additional financial resources from various sources for developing countries

<ul style="list-style-type: none"> • Zero Plastic Project • Partnership with A Smart World (as part of the ReGeneration Movement) and DigitalforYouth • Ordering of 90% certified recycled consumables (cradle to cradle) • Donation of offices and furniture to charities and schools • Signature of the Green Deal charter - sustainable canteens 	<ul style="list-style-type: none"> • 10 essentials (p. 21) • Every Day Is An Impact Day: Sustainability at the heart of Ethias (p. 22) • Cross-company and participatory approach to sustainability (p. 22) • Green IT (p. 25) • Waste reduction - other consumables (p. 26) • Suppliers and responsible purchasing - Staff restaurant (p. 26)
<ul style="list-style-type: none"> • Responsible procurement policy • Revision of the supplier/procurement charter and grid for calls for tender • Integration of ESG criteria in the selection of suppliers 	<ul style="list-style-type: none"> • Suppliers and responsible purchasing (p. 26)
<ul style="list-style-type: none"> • Internal and external awareness actions • Partnership with the Coopérative Ardente (for employees, as part of the ReGeneration Movement) 	<ul style="list-style-type: none"> • Cross-company and participatory approach to sustainability (p. 22)
<ul style="list-style-type: none"> • Review of investment policies (PIDR, exclusion and Towards Sustainability label, commitments) • Integration of ESG criteria in asset classes 	<ul style="list-style-type: none"> • Sustainable investments - Our exclusion policy (p. 35) • Sustainable investment - Our investment portfolio (p. 36) • Investments in the Belgian economy (p. 40)
<ul style="list-style-type: none"> • Change Over • Building management (closed Mondays) + new fleet policy (electrification) • A range of sustainability-related services (energy, air quality) • CO₂ neutral company label • Our home insurance automatically covers green installations (solar panels, photovoltaic panels, heat pumps, etc.) • We offer a range of products and tariffs that encourage green and/or soft mobility 	<ul style="list-style-type: none"> • Change Over: towards carbon neutrality! (p. 24) • Building management - Mobility – Fleet electrification (p. 25) • Beyond Insurance – Ethias' services offering - a range of sustainability-related services (p.11) • Change Over: towards carbon neutrality! (p. 24) • An increasingly sustainable product range - Housing (p.9) • An increasingly sustainable product range - Mobility (p.9-10)
<ul style="list-style-type: none"> • Internal awareness • Climate fresk for Sustainability, Communication and Assets teams • Sustainability Young Talents training 	<ul style="list-style-type: none"> • Every Day Is An Impact Day: Sustainability at the heart of Ethias (p. 22) • Sustainable investments - general approach (p. 34) • Sustainable investment - Sustainability at the heart of our investments (p. 34 and following)
<ul style="list-style-type: none"> • Partnerships and commitments • Belgian Impact Day • Recovery plans 	<ul style="list-style-type: none"> • Ethias' history of sustainability (p. 20) • Ethias' impact on society (p. 32) • Social Partnerships (p. 33) • Ethias as an active shareholder (p. 35-36) • Sustainable investment - Sustainability at the heart of our investments (p. 34 and following) • Investments in the Belgian economy (p. 40)
<ul style="list-style-type: none"> • Offset projects 	<ul style="list-style-type: none"> • Carbon balance 2022 (p. 24)

6.8. Ambitions 2023

Ethias' Sustainability strategy remains closely linked to its Brand Purpose "Daring to be human together". All actions considered for 2023 and beyond will always be guided by our mission to make people and solidarity our main concern.

If there is one lesson to be learned from the crises of the last two years, it is clearly that division and individualism get us nowhere. It is together that we can create a more resilient, just and inclusive society.

2022 was dedicated to the implementation of Ethias' new Sustainability strategy, with a strong focus on awareness and education on sustainability issues.

2023 will continue to engage our colleagues and other stakeholders in this ongoing challenge.

- Our various stakeholders will be invited to define with us the sustainability issues that matter to Ethias
- Within Ethias, the ReGeneration Movement will create a space for breathing, reflection and action in order to make a change and positively impact society and the planet every day
- We will continue our Net Zero trajectory by expanding our efforts to decarbonize our investment portfolio and value chain
- We will strive to reduce our environmental footprint and work towards a goal of ecosystem restoration by 2030 ("Nature Positive 2030")
- Through our Ethias Impact Fund, we will fight against youth poverty by launching a second edition of the Ethias Youth Solidarity Awards
- We will transform and enrich our product lines to offer our clients more and more sustainable solutions, both in Life and Non-Life
- We will strengthen our prevention offer, since it is an essential lever in the face of the repeated crises that affect us: health, energy, natural disasters, etc.
- We will integrate sustainability in all our business processes and at all levels of the company

All these projects force us to rethink the way we operate in an innovative way. Let us be ambitious, but humble, willing and willing to listen, and above all, let us dare. Let us dare to be human, let us dare to be creative, let us dare to be disruptive!

Let us create, step by step, together, the world we want to see tomorrow.

7. 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 Executive Committee and the Audit and Risk Committee.

The internal control department is constantly evolving and has been strengthened by the recruitment of specific skills. The internal control policy, put in place in 2021, is being continued.

8. Main risks (exposure and management policy) and use of the financial instruments¹

8.1. 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, Internal Control and Actuarial Function. These are not only independent monitoring functions but also governance functions. Their conclusions and advice are translated into measures to reinforce the management structure, the organization and the internal control system. These functions, together with the functions of the operational lines and support functions, are structured in such a way as that three lines of defence are in place.

8.1.1 First defence line - Daily risk monitoring

The first defence line is provided by operational lines and support functions (Accounting, Asset Management, IT, Human Resources, etc.). It is their responsibility to identify the risks posed by each operation and to respect the procedures and limits set.

Ethias sees to it that every employee has a suitable understanding of the risks that are likely to threaten the correct fulfilment of the activities he/she is responsible for. Hence, each employee is responsible for the identification and the assessment of the risks that are incurred on an ongoing basis.

Furthermore, a network of "risk" correspondents within the operational lines and the support functions permits to benefit from the technical skills of the experts in the field, including complaints, operational incidents and GDPR.

8.1.2 Second defence line - Risk supervision

The second defence line includes the control functions of the Risk Management function, the Internal Control function, the Actuarial Function and the Compliance function, which are responsible for ensuring that the risks have been identified and managed by the first line, according to the rules and procedures envisaged.

These four functions depend on the CRO, who ensures the transversal coordination of the work and the adequate exchange of relevant information.

The CRO, who is a member of the Executive Committee, has to make sure that the structure of Ethias' risk management

is operational and has to improve its effectiveness and efficiency. The entities that are hierarchically answerable to the CRO assist him in his assessment of the company's risk profile, of its alignment with its strategy and risk appetite as well as in the identification of future risks.

This second defence line, which is independent of the first one, maintains a methodological framework and underlying processes that allow the control and the supervision of the implemented risk management structure. In the event of exceeding the risk profile wanted by Ethias, it can intervene at the operational level to initiate changes and to help the first defence line in resolving the problems.

Finally, in order to reinforce risk governance, Ethias' Executive Committee relies on committees dedicated to risk management: These committees are advisory and their recommendations are validated by the Executive Committee.

The role of the **Model Coordination Committee (MCC)** is to monitor and contribute to the compliance, within the risk framework defined by the Board of Directors, of all internal and regulatory standards for the development and use of internal quantitative models used by Ethias for, in particular, the management of its technical and financial risks and its asset / liability management.

The mission of the **Insurance-Reinsurance Committee (IRC)** - in terms of insurance techniques, insurance contract management and reinsurance coverage - is to ensure that the business lines comply with the technical and commercial objectives and with the risk framework defined by Ethias' Executive Committee and Board of Directors. Hence, the IRC monitors the technical risks (profitability, reservation, risks) of the existing products, analyses the mitigation actions of the technical risks, analyses the modifications to existing products or the proposals for new ones and supervises the **reinsurance programme. Efficient collaboration between the 1st and 2nd lines** is to be highlighted, especially on files regarding underwriting (review of underwriting guides, Non-Life commercial strategy, monitoring of UFRs/CFRs, commercial dispensations, review of underwriting policies, provisioning and pricing, S/P balance, POG, risk appetite, etc.)

The **Assets and Liabilities Committee (ALCO)** has the task of contributing to the protection of Ethias SA in its liquidity, profitability and solvency aspects, through the alignment of the company's assets and liabilities.

The **Risk Management Forum (RMF)** is responsible for discussing risks, which are presented to the Audit and Risk

¹ The Solvency and Financial Condition Report (<https://www.ethias.be/corporate>) provides further explanations on risk management.

Committee (and beforehand to the Executive Committee) in detail, so as to have a specific view of all the risks borne by the company. It is the forum for analysis of specific risks highlighted in the context of projects or activities in order to identify priorities, relevant mitigation measures and action plans as well as their target risk and to monitor their evolution in accordance with the Risk Appetite policy. It ensures:

- an efficient and transparent reporting of risks;
- the selection of the most important risks;
- the definition of action plans;
- the monitoring of already identified risks, especially in case of modification (deterioration) of these risks;
- to propose to the management bodies practical and pragmatic business guidelines in accordance with the risk appetite;
- to recommend to the Executive Committee the validation of the company's risk profile.

This body does not replace the Local Risk Forums, which are organized at the operational level and which enable action plans to be drawn up at team level.

Each committee is chaired by a member of the Executive Committee. The CRO is present in each committee dedicated to risk management. It was the willingness of the Executive Committee and of the Board of Directors to create "strong committees", so as to set up an effective risk governance within the company. It is also with this aim in view that the responsibilities of each committee have been clearly established by means of internal regulations.

8.1.3 Third defence line - Independent assessment

The third defence line is provided by the Internal Audit, which assesses, among other things, compliance with procedures by the first and second lines of defence and, more generally, the effectiveness of the internal control system. To ensure its independence, this entity reports hierarchically to the CEO directly and functionally to the Audit and Risk Committee.

With regard to risk management, the Board of Directors of Ethias SA assumes ultimate responsibility for the effectiveness of the risk management system. To carry out its missions, it relies on the Audit and Risk Committee. The Audit and Risk Committee advises the Board of Directors on Risk Appetite and risk tolerance issues, analyses risk reporting, challenges the implementation of the risk management system by the Executive Committee, and verifies its proper application.

8.2. 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 Executive Committee and approved by the Board of Directors. The risk policies are the direct translation of the Board of Directors' view in terms of risk appetite. Similar to the strategic objectives that are translated into operational objectives, the Risk Appetite, as it has been approved by the Board of Directors, must also be translated into operational terms by means of policies. At its meetings in December 2022, the Board of Directors reviewed and approved Ethias SA's risk appetite.

8.3. 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 Executive 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 Executive 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).

8.3.1 Financial risks and investment policy

8.3.1.1 Management of financial risks

The company's financial strategy aims to generate the best long-term economic performance while respecting the financial risk management imperatives of capital preservation, financial risk control and transparency of investments made. As such, investment managers are required to respect the investment policies, to aim for the strategic asset allocation targeted by the company and to manage their positions within the financial and non-financial constraints and limits. The limited use of complex products facilitates the implementation of procedures for identifying, analyzing, monitoring and controlling the risks inherent in investments. The principles of portfolio diversification (geographic, sectoral, by issuer), the liquidity of securities and the quality of issuers, as defined in the investment policy, also contribute to good control of financial risks.

The Asset Management department is responsible for the day-to-day management of the investment portfolio and for managing the match between the company's assets and liabilities. It organizes tactical investment management meetings at appropriate intervals, where it is decided what actions to take, on the one hand, within the framework of the above-mentioned constraints and, on the other hand, according to the guidelines and decisions emanating from the ALCO committee. The latter has, notably, the task of setting out the investment guidelines and of monitoring the portfolios in accordance with the investment policy approved by the Board of Directors. The investment programmes constitute a guideline that may be adjusted during the year in response to changes in the economic environment or changes within the company.

The composition, performance and risks of the portfolios are monitored on a daily basis. The related key performance and risk indicators are formalized at least monthly. The entire system is coordinated and monitored by the first defence line within the Asset Management department. The Risk Management department acts as a second defence line by ensuring rigorous and active monitoring of the various financial risks inherent in asset management.

8.3.1.2 Investment policy

In 2022, Ethias has maintained the fundamental principles of its investment policy. It has continued to anchor its actions around the search for return while controlling its risks and increasing its role as a benchmark investor supporting the development of the local economy, the deployment of its sustainable investment policy and exemplary governance.

The year 2022 was marked by rising interest rates, inflation and high stock market volatility. Active management of asset-liability matching has made it possible to limit the impact of this high volatility on the company's main performance and risk indicators. This was achieved in particular through the various risk hedging programmes deployed throughout the year. In addition, the rise in interest rates has made it possible to make investments on more favourable terms, thereby strengthening the average rate of return on its portfolios for the years to come. The rise in inflation had a positive impact on the performance of its inflation-linked bonds.

In line with its strategy, Ethias has continued to develop investments in illiquid assets. In this way, it continues to seek to diversify its exposures through investments that are more uncorrelated with the volatility of listed markets, such as private debt, mortgages and real assets. More specifically, Ethias has confirmed its positioning as a benchmark institutional investor in Belgium. As of December 31, 2022, more than 5 billion euros, or 35 % of Ethias' assets under management, are invested in the Belgian economy, across all regions of the country. The strong anchoring of its investments in support of the local economy is the result of a very strong investment activity both in alternative investments and in real estate. Through these investments, Ethias demonstrates its role as a long-term investor and contributes to the development of the economy by providing public and private players in all sectors of activity with the stability they need to grow.

As a responsible investor, Ethias has for many years adopted a rigorous, ethical and transparent approach to the management of its financial assets. Since 2020, Ethias has aligned its exclusion criteria for all its portfolios with the “Towards Sustainability” standard, developed at the initiative of Febelfin, but has also become a signatory of the UN PRI. In 2021, Ethias reviewed its entire sustainable and responsible investment policy. Ethias has identified the main sustainability risks on which it focuses its efforts. It is implementing significant means to deploy its sustainable and responsible investment strategy. This is done in particular through the shareholder engagement policy, the exclusion policy and the selection of investments based on ESG criteria. This is the basis for its commitment to further strengthen its investments in sustainable activities, particularly in line with the European action plan (“EU Green deal”) and the Green Taxonomy.

Furthermore, in addition to the collaborative commitments already made in 2021 (i.e. the Belgian Alliance for Climate Action, the Climate Action 100+ initiative and the Partnership for Biodiversity Accounting Financials), Ethias has joined the Science Based Targets initiative (SBTi) in 2022. Ethias is thus committed to setting greenhouse gas emission reduction targets in line with the Paris Climate Agreement. Specifically, Ethias is committed to the fight against climate change through achieving carbon neutrality for its investment portfolio by 2050 at the latest.

8.3.2 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 Executive 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.

8.3.3 Operational risks

The operational risk is described as the risk of direct or indirect loss resulting from an inadequacy or failure attributable to procedures, processes, and people as well internal as external and to systems within the organization, or resulting from external events.

External events are for instance natural disasters (fire, flooding...), legal changes, strikers preventing access to the workplace, etc.

The definition includes legal risk, but excludes strategic and reputational risks.

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;
- analysis of transversal operational risks impacting the achievement of the company's strategic objectives;
- analysis of information security risks and cyber risks.

The Executive Committee directly monitors the operational risk. It analyses and proposes guidelines for the corresponding mitigation/management measures in accordance with Ethias' risk management policy.

8.3.4 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 (accidents and death/disability insurances).

They are reassessed each year to meet the needs of production taking into account the reinsurance market and to hedge the capacities required under Solvency II.

Reinsurance coverages have changed little between 2021 and 2022. There has been the addition of a reinsurance coverage for guaranteed income.

On the other hand, the price of reinsurance coverages, mainly in damage insurances, was strongly impacted by the floods in July 2021.

8.3.5 Emerging risks

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

The combination of the analysis of external risks, of which emerging risks are a part, strategic risks and active risks of the company makes it possible to compile an inventory of the most important risks for Ethias and to prepare for the future as well as possible. This consolidated view of the most important risks serves to define the stress tests used in the ORSA (Own Risk Self Assessment). An analysis of a set of external presentations is used to reinforce this view and structured discussions take place with the Board of Directors in accordance with regulatory requirements. The 2021 ORSA report was presented to the Board of Directors on March 31, 2022 and sent to the regulator after validation. This is an annual report. The new 2022 version will be presented to the Board of Directors in March 2023.

The risk categories that have been most highlighted in recent years are environmental risks, with a focus on climate change, geopolitical risks linked to the evolution of the war in Ukraine and its consequences on energy prices and supply, and economic risks with the significant increase in inflation (partly linked to the increase in energy costs).

For example, Ethias is very attentive to the issue of environmental risks, of which climate risks are a part (global warming, pollution...) and which are likely to affect either the profitability of its products or the very continuity of its activities. Thus, as part of its ORSA process, Ethias assesses the potential impact of one or more natural disasters each year. The stress tests carried out on this occasion thus make it possible to challenge the company's reinsurance policy.

In its latest ORSA exercise, Ethias paid particular attention to floods, earthquakes and drought. Secondly, the risks related to greenhouse gas emissions were studied in a new climate change scenario. The overall objective is to identify material exposures to physical and transitional risks and to assess these risks in both the short and long term. A first approach in 2021 is proposed based on market trends and initial consultations by the European supervisory authorities prior to the publication of relevant directives.

A large majority of Ethias' Non-Life contracts have a one-year maturity. This allows the company to adapt the pricing of insurances fairly quickly to changes in climate risks. Its reinsurance treaties take into account the evolution of climate risks as well as concentration risks. From discussions with the reinsurers, Ethias gathers information on the further development of climate risks. This is of course incorporated into the pricing of reinsurance treaties, which provides market information on the evolution of the risks.

In addition, the Sustainable and Responsible Investment Policy excludes investments in environmentally harmful industrial activities.

To conclude, as part of the development of its business continuity plan, Ethias regularly conducts business continuity tests to determine its resilience capacity to risks of a catastrophic nature.

Similarly, black-out tests are organized periodically to determine its resilience based on its energy autonomy. These tests are all the more important in the energy context of 2022 and future fears of shortages in relation to the choices that will be made by Europe and the Belgian government on nuclear strategy. In its continuity plan, Ethias takes into account the specific studies carried out in this area and uses them to identify its test scenarios (e.g. load shedding plan, local/regional/national blackout).

Another emerging risk, but one that some companies are already experiencing, is the risk of cyberattacks. It is no longer a question of whether it will happen, but when it will happen.

In order to deal with this, Ethias, in accordance with its security policy, reassesses the maturity of its security-related processes every year. To this end, an exhaustive analysis is carried out of Ethias' compliance with all security requirements specified by the international standards ISO 27002 and NIST as well as by the circulars of the National Bank of Belgium. In addition to regulatory compliance, this analysis allows for a true assessment of the risks related to information security. On the basis of some fifty threats defined in accordance with the market, Ethias has verified that the measures to counter them are relevant and adequate and has drawn up a specific treatment plan to improve the maturity of security-related processes.

Ethias has an adequate level of protection thanks to the investments made over the years in vulnerability management, software and hardware obsolescence management, installation of firewalls, network segmentation, endpoint protection and access control, including an IAM (Identity and Access Management) for clients and one for employees.

Specifically for IAM-related projects, Ethias applies an access model based primarily on the business roles of its employees and external clients.

The Security Operation Center (SOC), another element of Ethias' protection SOC, identifies threats and monitors its platforms in order to quickly detect anomalies and initiate a response in case of an attack.

Its annual internal and external tests as well as other external tests encouraged by the National Bank, are also an indicator of Ethias' good level of protection.

In terms of recovery, Ethias is constantly looking for increasingly effective solutions to reduce recovery times in the event of a cyberattack. Cyber resilience tests are carried out

regularly, which also helps to improve the behaviour of the people who will be on the front line in case of an attack. The last test carried out at end-2022 highlighted the points of improvement which are integrated into a remediation plan.

Finally, these layers of protection can only work properly if, first of all, a proper information security awareness is regularly carried out among the company's employees. In its information security awareness program, Ethias uses a training tool containing predefined modules for which every employee must participate in an assessment. For two consecutive years (2021 and 2022), the collective bonus was linked to the mandatory participation in various training sessions and a success rate of more than 80 % for a series of relevant

quizzes. At the same time, Ethias regularly raises awareness on specific topics through its company intranet or on-site. It also has a simple process for reporting suspicious e-mails, allowing to react very quickly, both technically and in terms of steps to be taken by the employee. Tests on the ability of employees to recognize and report a phishing e-mail via this new simplified process were conducted in 2022 and will be repeated in 2023. The results for 2022 are very satisfactory and have highlighted the awareness efforts.

From a solvency point of view, cyberattacks are on the same level as ESG risks assessed in its annual ORSA report to the regulator.

9. Events occurring after the financial year was closed

9.1. Dividend

The Board of Directors of Ethias SA will propose to the General Assembly of May 2023 the payment of a dividend of 108 million euros.

9.2. Banking crisis of March 2023

Following the failure of some US regional banks (SVB, Silvergate, Signature Bank), market sentiment quickly escalated to a more systemic level. In Europe, attention quickly shifted to the situation of Crédit Suisse, which saw its access to interbank liquidities deteriorate. Despite the intervention of the Swiss National Bank, Crédit Suisse eventually had to sell itself to UBS in the hope of halting the outflow of deposits and easing the tensions that were shaking the entire banking system. Since then, strong messages of support for the financial sector have been issued by all central bankers and tensions around banking stocks seem to have eased somewhat after 3 days of trading.

In this context, Ethias benefits from the prudent approach implemented in its investment policy. Ethias has a negligible indirect exposure to Crédit Suisse of around 8,000 euros of AT1 bonds and a very limited indirect exposure to the US regional banks in the order of 0.2 million euros. These positions are only present within investment funds.

10. Information on circumstances which may significantly impact the company's development

10.1. Regulatory developments - Solvency II

A revision, on a broader scale than previously known, of the parameters used in the calculation of the solvency requirement is envisaged for 2025. 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. A Stress Testing exercise was organized by EIOPA in 2020 to assess the impact of certain developments on companies. Based on these results, EIOPA has proposed to the European Commission in 2021 the transcription of certain measures into regulation.

In order to best anticipate the impact of changes in future regulations on its 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.

10.2. Regulatory developments in sustainability

The EU-Corporate Sustainability Reporting Directive (CSRD) was adopted in November 2022 and introduces the need for more regular and detailed information on the environmental, social and human rights impact of companies, based on common and therefore comparable criteria. These rules aim to fill the gaps in the existing non-financial reporting directive (NFRD), which is currently considered largely insufficient and unreliable. The European Commission is expected to adopt a first set of measures by June 2023.

Financial and sustainability information will be included in a single report, providing investors with comparable information. In order to ensure the reliability of the information provided by the companies, they will be subject to independent audits and certifications.

The new EU sustainability reporting requirements will be applied to all large companies, both listed and unlisted, as well as to listed SMEs. Thus, for nearly 50,000 companies in the European Union, the collection and publication of information on their own sustainability will become the norm, whereas today only 11,700 companies are covered by the scope of the European law.

For Ethias, the publication of the first report in compliance with the new rules is expected for 2025 concerning the 2024 data. In order to anticipate these changes, Ethias has already integrated the sustainability information it wishes to communicate in its 2022 financial report.

11. Research & Development

11.1. Flora

After a successful start in September 2020, Flora, the **first 100%** digital insurtech covering the entire insurance value chain in Belgium, is positioned as a complementary distribution channel for Ethias by targeting *digital seekers*. Flora provides Ethias with a technological platform to offer new products online.

After the **tenant insurance** in 2020, followed by innovative insurance for **co-tenants** in 2021, Flora keeps the momentum with its new 100% digital **family** insurance in 2022.

11.2. Innovation Hub

When a company wants to grow in a sustainable way, it must always look for creative and innovative solutions to anticipate customer expectations. This is why Ethias created Eth'iHub in 2020, an innovation hub, whose goal is to speed up the creation of new services related to insurance in one way or another. It is an open, flexible and participatory entity that collaborates with internal colleagues and external parties.

Since 2022, Eth'iHub has been closely involved in the launch of Ethias Ventures, the Ethias subsidiary that will invest in European start-ups providing insurance-related solutions in the insurtech field. It is also one of the insurance ecosystems that will allow Ethias SA to continue to develop its activities with innovative products and services.

The complementary nature of the Group's 4.000 employees gives a real boost to innovation, for the benefit of its clients and society in general.

Values at the service of innovation

The Ethias' innovations reflect its commitment to a more human and sustainable society. The focus is on 3 ecosystems, which bring together the main societal challenges of today and tomorrow:

- Health
- Mobility
- Home

11.3. Venturing

In 2022, Ethias SA created Ethias Ventures as an investment fund.

Ethias Ventures is a subsidiary of Ethias that invests in the form of equity or loans in start-ups.

Ethias is looking to invest in European start-ups providing insurance-related solutions in the areas of insurtech and any of the insurance ecosystems (mobility, health, home, and other relevant sub-areas like energy, climate, ...).

The ultimate goal of Ethias Ventures is to help Ethias grow its business through innovative products and services.

Ethias Ventures supports Ethias' goals, which are:

- Improve the user experience of its clients.
- Create new services
- Provide new insurance products
- Digitize its current (hand operated) processes.
- Sell its insurance products through new distribution channels.

11.4. Technological developments

Ethias' IT continues to evolve in line with the strategic goals of strengthening Direct, Digital and Public Services. In this context, it launched many initiatives, including:

- The revision of the contract with the IT supplier in order to reinforce NRB's obligation of result regarding Delivery, within a budgetary framework which remains competitive and in a more efficient environment (in particular by optimizing the governance and automation within NRB). In the same spirit, Ethias also defined and followed up indicators to quickly identify dysfunctional causes and corrective measures.
- The opening, in collaboration with its IT partner, to solutions hosted on the cloud for new applications or new developments. This is an opportunity and an opening to new solutions, but also a cost reduction. However, in order for this potential transition to take place without compromising security and to comply with the GDPR legislation, we had to lay the groundwork by implementing an Ethias Cloud Computing Policy, the Cloud Decision Tree and a Cloud Directive.
- Ethias has also made progress in the implementation of the Agile methodology by launching several waves of transformation that have covered several business and IT teams on both the Ethias and NRB sides (GED, Non-Life Policy, API & Data Flow, Claims and CRM). It also standardized and improved the use of tools adapted to this methodology.

- Ethias' Automation continued with new achievements:
- The Digital Helpdesk Chatbot, Clea, went into production in May 2022 to help clients for all their questions about the client zone.
- New functionalities/improvements for the AI RDR project (data extracted from the European accident report in car accidents and determination of responsibilities) were deployed.
- New Life B2C mailboxes are now automatically processed by the AI Gedimail solution.
- The GED In Enhancement project is now in production to automate the processing of lab and transportation invoices and still automates other documents.
- The implementation of a Voicebot in Health Care Claims to answer frequent questions from policyholders.
- Following an AI roadmap exercise carried out with a consultant and all Ethias departments (with a focus on Claims), it was able to promote AI and identify over 100 relevant AI use cases.
- At Flora, in addition to the evolution of the insurance product for tenants and co-tenants, in October Ethias launched a new family insurance product, sold in cross-selling.
- The modernization of its mainframe platform helped to get to a first "transformed" product. Thanks to Flexi-Tarif, we can change tariffs in a much faster and more flexible way (initially in car and assistance) via tools that no longer require heavy IT development.

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

12. Governance¹

12.1. Composition

12.1.1 The Executive Committee

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

12.1.2 The Board of Directors

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

12.1.3 The Audit and Risk Committee

Name	Function
Bruno van Lierde	Chairman
Marc Descheemaecker	Member
Ingrid Loos	Member
Claude Melen	Member
Marc Meurant	Member

12.1.4 The Appointments and Remuneration Committee

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

12.1.5 The Statutory Auditor

PwC – Réviseurs d'entreprises SRL

Culliganlaan 5 – B-1831 Diegem

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

¹ Situation as of 31/12/2022

12.2. Justification for the independence and competence of the members of the Audit and Risk Committee

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

The Audit and Risk Committee is chaired by Bruno van Lierde and is also composed of Marc Descheemaecker, Ingrid Loos, Claude Melen and Marc Meurant.

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

Mr. Descheemaecker has a degree in applied economics and a post-graduate degree in European Economic Studies. He was executive vice-president of the ISS Group, managing director of ISS Belgium, Director of Vitrufin (liquidated on 25/10/2019), chairman of the board of directors of Brussels Airport Company, managing director, director and chairman of the SNCB/NMBS Audit Committee and director of the EIB and the EIF. He is currently chairman of the Board of Directors of Lijncom and Lantis, vice chairman of the Board of Directors of De Lijn, and director of GIMV, Ecorys and Tunnel Liefkenshoek.

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

Ms. Melen holds a licentiate in management sciences and has completed additional training in Analysis, Controlling and Auditing. She is currently director and chairman of the Audit Committee of Brussels South Charleroi Airport, as well as director and member of the Audit Committee of Crelan, AXA Bank and CrelanCo. Originally from the Belgian Court of Audit, in charge of auditing the accounts and budgets of the Federation Wallonia-Brussels and the PIOs (Public Interest Organizations), she is currently a strategic project manager at the UNMS. She also meets the independence criteria set out in article 15, 94° of the law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings.

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

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

Ms. Seeuws has a degree in applied economics. She has acquired solid experience in the insurance world, having been a director-member of the executive committee of Baloise Insurance, a director of Euromex Insurance, a director-member and then chair of the executive committee of Nateus Life Insurance, Nateus Insurance, Audi Insurance and a director of Nateus Netherlands and Korfina Insurance. She also meets the independence criteria

set out in article 15, 94° of the law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings.

12.4. Conflicts of interests

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

(1) At its meeting on March 31, 2022, the Board of Directors assessed the achievement of the 2021 objectives for the members of the Executive Committee (EC).

The executive directors abstained from taking part in the deliberation and the vote of the Board of Directors, being found that they had, within the meaning of Article 7:115 of the Belgian Code on Companies and Associations, an interest of a proprietary nature that conflicted with the decision that the Board of Directors was likely to take, viz. the awarding of a variable remuneration based on the achievement of their 2021 objectives.

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 and of Solidaris. He was also a director and member of Sowaer's Nomination and Remuneration Committee. He held the position of Secretary General of the PS (Socialist Party) and was Government Commissioner for Wallimage SA and Wallimage Entreprises. He is currently Political Secretary of the PS group in the Senate and is a member of the General Assembly of Solidaris for the territory of Mons-Wallonie Picarde. Mr. Braggaar has a thorough knowledge of Ethias, having been a director of SMAP, then of Ethias Droit Commun (now EthiasCo) and of Vitrufin (liquidated on 25/10/2019).

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

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

"(...)

At the end of this presentation, the Board of Directors decides to follow the recommendation of the Appointments and Remuneration Committee and to grant the members of the EC the variable remuneration as presented.

In order to meet the requirements of Article 7:115 of the Belgian Code on Companies and Associations, the Board of Directors notes that the decision it has taken to grant the variable remuneration as proposed to the members of the Executive Committee has a non-significant impact of a proprietary nature for the company. It justifies this decision by taking into account the degree of achievement of the objectives that were assigned to them for the year 2021.

(...)"

(2) At its meeting on May 25, 2022, the Board of Directors discussed the issue of reviewing the remuneration for the members of the Executive Committee.

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

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

“(…)

In order to meet the requirements of Article 7:115 of the Belgian Code on Companies and Associations, the Board of Directors notes that, in the absence of a decision at this stage concerning the remuneration for the members of the Executive Committee, there are no financial implications for the company.

(…)”

(3) At its meeting on December 14, 2022, the Board of Directors analyzed the 2022 objectives for the members of the Executive Committee as well as the issue of reviewing their remuneration.

The executive directors 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. (i) the determination of the 2023 objectives for the members of the Executive Committee, which intervene in the payment of their 2024 variable remuneration, and (ii) the review of the remuneration for the members of the Executive Committee.

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

“(…)”

At the end of the presentation, the Board of Directors validates the 2023 objectives (…).

In order to meet the requirements of Article 7:115 of the Belgian Code on Companies and Associations, the Board of Directors notes that the decision to set the 2023 objectives for the members of the Executive Committee, which intervene in the payment of their 2024 variable remuneration, has an impact of a proprietary nature for them and for the company. The Board of Directors justifies the decision taken by the interest of the company.

(…) the Board of Directors considers it appropriate to keep the decision pending and to invite the Appointments and Remuneration Committee in the meantime to refine the proposal on the basis of new analyses. In order to meet the requirements of Article 7:115 of the Belgian Code on Companies and Associations, the Board of Directors notes that, in the absence of a decision at this stage concerning the remuneration for the members of the Executive Committee, there are no financial implications for the company.

(…)”

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

12.5. External offices exercised by the leaders of Ethias SA

In accordance with Article 83 of the Law of March 13, 2016 on the status and supervision of insurance or reinsurance undertakings ("Solvency II Law"), the NBB Regulation of November 9, 2021 and the Communication NBB_2022_19 on the exercise of external functions by managers and persons responsible for independent control functions of regulated companies, Ethias SA publishes the list of the external functions exercised by its non-executive directors, its members of the Executive Committee and its members of the Management Meeting of band H.

Directors of Ethias SA

Name	Company	Registered office	Field of activity	Office exercised
Descheemaeker Marc	GIMV (listed bonds and stocks)	Karel Oomsstraat 37, 2018 Antwerpen	Investment company	Director and member of the Audit & Risk Committee
	De Lijn	Motstraat 20, 2800 Mechelen	Public transport	Vice-Chairman of the Board of Directors, member of the Audit & Risk Committee and member of the Appointments & Remuneration Committee
	Lijncom	Heusdenbaan 46 bus 2 - 9090 Melle	Tramway and bus advertisement	Chairman of the Board of Directors
	Lantis	Sint-Pietersvliet 7 – 2000 Antwerpen	Mobility	Chairman of the Board of Directors, member of the Appointments & Remuneration Committee
	Ecorys	Watermanweg 44 - 3067 GG Rotterdam	Counsel (public sector, security, justice, etc.)	Director, member of the Audit & Risk Committee
	Tunnel Liefkenshoek	Sint-Annalaan 1 - 9130 Kallo	Liefkenshoek tunnel management	Director
Henin Olivier	Fedimmo	Cantersteen 47, 1000 Bruxelles	Property management	Chairman of the Board of Directors
	SFPI	Avenue Louise 54/1, 1050 Bruxelles	Investment company	Vice-Chairman of the Board of Directors, member of the Strategy Committee
	Sabena Aerospace Engineering	Avenue E. Mounier 2, 1200 Bruxelles	Aeronautical and space maintenance	Director and CFO
	EthiasCo	Rue des Croisiers 24, 4000 Liège	Investment company	Chairman of the Board of Directors
	And One Management	Place Sainte-Begge 5, 5300 Andenne	Management company	Managing director
	Orizio	Avenue E. Mounier 2, 1200 Bruxelles	Investment company	Director and CFO
	SABCA	Chaussée de Haecht 1470, 1130 Bruxelles	Aeronautics	Director
	Dôme Invest	Rue des Olympiades 2, 6000 Charleroi	Investment company	Independent director
	Stemme Belgium	Rue Capt. Aviateur Jacquet 44, 5020 Namur	Aeronautics	Independent director
Loos Ingrid	Universiteit Antwerpen	Prinsstraat 13, 2000 Antwerpen	Education	Director
Melen Claude	Brussels South Charleroi Airport	Rue des Frères Wright 8, 6041 Charleroi	Air transport	Director, chairman of the Audit & Risk Committee
	Creland	Boulevard Sylvain Depuis 251, 1070 Bruxelles	Credit institution	Director and member of the Audit & Risk Committee
	CrelandCo	Boulevard Sylvain Depuis 251, 1070 Bruxelles	Credit institution	Director

Name	Company	Registered office	Field of activity	Office exercised
Meurant Marc	Smart Plan	Rue de Linthout 120, 1040 Bruxelles	Company whose activity is an extension of the insurance business	Chairman of the Board of Directors
	M.M.H.	Boulevard A. de Fontaine 15, 6000 Charleroi	Insurance company	Executive director and risk manager
	Bessonnat	Rue Jean Piret 1B, L-2350 Luxembourg	Investment company	Chairman of the Board of Directors
	Scottish Widows Europe	Avenue du Bois 1, L-1251 Luxembourg	Insurance company	Director, chairman of the Audit & Risk Committee
	AMIFOR	Boulevard Bischoffsheim 1-8, Boîte 3, 1000 Bruxelles	Insurance company	Chairman of the Board of Directors
	CPH Life	Rue Perdue 7, 7500 Tournai	Insurance company	Director
	The Ring Ring Company	Culliganlaan 2/F - B9, 1831 Diegem	Communication	Director
Neyt Philipp	BNP Paribas B Invest	Rue Montagne du Parc 3, 1000 Bruxelles	Undertaking for investment in receivables	Independent director
	BNP Paribas B Strategy	Rue Montagne du Parc 3, 1000 Bruxelles	Undertaking for investment in receivables	Independent director
	Curalia	Rue des Deux Eglises 33, 1000 Bruxelles	Insurance company	Director
	Vladubel	Avenue du Port 2, 1080 Bruxelles	Undertaking for investment in receivables	Director
	PensioenInvest	Esplanade Heysel 1, PB 94, 1020 Bruxelles	Management company	Manager
	Ghelamco Invest (listed bonds)	Zwaanhofweg 10, 8900 Ieper	Real estate investment company	Director
Van Borm Karl	EthiasCo	Rue des Croisiers 24, 4000 Liège	Investment company	Director

Name	Company	Registered office	Field of activity	Office exercised
Van Lierde Bruno	SMA	Avenue Hamoir 24B, 1180 Bruxelles	Management company	Managing director
	Sopartec	Place de l'université 1 1348 Louvain-la-Neuve	Investment company	Chairman of the Board of Directors, chairman of the Appointments & Remuneration Committee
	Tempora	Rue des Anciens Etangs 44-46, 1190 Bruxelles	Design and management of exhibitions and cultural sites	Chairman of the Board of Directors
	Buy Way	Boulevard Baudouin 29 bte 2, 1000 Bruxelles	Credit institution	Chairman of the Board of Directors, chairman of the Appointments & Remuneration Committee
	Cliniques de l'Europe	Avenue Defré 2016, 1180 Bruxelles	Hospital sector	Chairman of the Board of Directors, chairman of the Appointments & Remuneration Committee
	Inventures II SDG Growth	Avenue des Arts 56, 1000 Bruxelles	Undertaking for investment in receivables	Chairman of the Board of Directors, member of the investment committee
	Network Research Belgium (NRB)	Zoning industriel des Hauts-Sarts 2ème av. 65, 4040 Herstal	Auxiliary services company	Director, member of the Audit & Risk Committee
	Vives Inter University Fund	Place de l'université 16 bte 27, 1348 Louvain-la-Neuve	Investment company	Director
	Lloyd's Insurance Company	Bastion Tower, Etages 13&14, Place du Champ de Mars 5, 1050 Bruxelles	Insurance company	Chairman of the Board of Directors, member of the Audit & Risk Committee and chairman of the Appointments & Remuneration Committee
	The Ring Ring Company	Culliganlaan 2/F - B9, 1831 Diegem	Communication	Director
Van Varenbergh Myriam	Network Research Belgium (NRB)	Zoning industriel des Hauts-Sarts 2ème av. 65, 4040 Herstal	Auxiliary services company	Director

Effective leaders of Ethias SA

Name	Company	Registered office	Field of activity	Office exercised
Lallemand Philippe (CEO)	Safran Aero Boosters	Route de Liers 121, 4041 Herstal	Aircraft and space construction	Director
	Ethias Pension Fund	Rue des Croisiers 24, 4000 Liège	Investment company	Chairman of the Board of Directors
	Network Research Belgium (NRB)	Zoning industriel des Hauts-Sarts 2ème av. 65, 4040 Herstal	Auxiliary services company	Chairman of the Board of Directors, chairman of the Appointments & Remuneration Committee
	Assuralia	Square de Meeûs 29, 1000 Bruxelles	Insurance	Member of the Executive Committee and Director
	Socofe	Avenue Maurice Destenay 13 bte 2, 4000 Liège	Investment company	Director
	NEB Participations	Rue Louvrex 95, 4000 Liège	Holding company	Chairman of the Board of Directors
	NEB Foncière	Rue Louvrex 95, 4000 Liège	Real estate company	Chairman of the Board of Directors
	IMA Benelux	Square des Conduites d'Eau 11-12, 4031 Liège	Company whose activity is an extension of the insurance business	Director

Name	Company	Registered office	Field of activity	Office exercised
Neven Wilfried (Vice CEO, CXO)	Xior Student Housing (listed stocks)	Mechelsesteenweg 34, 2018 Antwerpen	Real estate company	Chairman of the Board of Directors, member of the Audit & Risk Committee and member of the Appointments & Remuneration Committee
	Ethias Services	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
	Euresa	Rue Royale 151, 1210 Bruxelles	Insurance	Manager
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
Dumazy Nicolas (CSDO)	Noshaq	Rue Lambert Lombard 3, 4000 Liège	Investment company	Director and member of the Audit & Risk Committee
	IMA Benelux	Square des Conduites d'Eau 11-12, 4031 Liège	Company whose activity is an extension of the insurance business	Director, chairman of the Audit & Risk Committee
	Ethias Services	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Chairman of the Board of Directors
Kranzen Luc (CCDO)	Ethias Services	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Chairman of the Board of Directors
	Euresa	Rue Royale 151, 1210 Bruxelles	Insurance	Manager
	IMA Benelux	Square des Conduites d'Eau 11-12, 4031 Liège	Company whose activity is an extension of the insurance business	Director
Laenen Joris (CILO)	GIMV Health & Care	Karel Oomsstraat 37, 2018 Antwerpen	Investment company	Director
	DG Infra Yield	Karel Oomsstraat 37, 2018 Antwerpen	Investment company	Director
	Ethias Pension Fund	Rue des Croisiers 24, 4000 Liège	Investment company	Director
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
Molnar Izabella (CDTO)	IME Services & Consulting	Everbergstraat 72, 3071 Erps-Kwerps	Management company	Statutory manager
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director and member of the Technical Committee
Serafin Maryline (CFO)	Network Research Belgium (NRB)	Zoning industriel des Hauts-Sarts 2ème av.65, 4040 Herstal	Auxiliary services company	Director
	Ethias Services	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director
	Glasfaser Ostbelgien	Klötzerbahn 24, 4700 Eupen	Fiber-optic network	Director
Yerna Benoît-Laurent (CRO)	Ethias Pension Fund	Rue des Croisiers 24, 4000 Liège	Investment company	Director
	Liège Airport	Aéroport de Liège, Bât 44, 4460 Grâce-Hollogne	Air transport	Director and member of the Audit & Risk Committee
	NEB Participations	Rue Louvrex 95, 4000 Liège	Holding company	Director
	NEB Foncière	Rue Louvrex 95, 4000 Liège	Real estate company	Director
	Ethias Ventures	Rue des Croisiers 24, 4000 Liège	Auxiliary services company	Director and member of the Investment Committee

Members of Ethias SA's Management

Name	Company	Registered office	Field of activity	Office exercised
Bernier Bertrand (Head of Asset Management)	Ethias Sustainable Investment Fund	Rue des Croisiers 24, 4000 Liège	Investment company	Director
	Boosting.brussels by finance&invest. Brussels	Rue aux Laines 70, 1000 Bruxelles	Investment company	Director
	Finance&Invest.Brussels (SRIB SA)	Rue aux Laines 70, 1000 Bruxelles	Investment company	Director
	Veran Real Estate CY	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	UP 38	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Sagitta	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Real Goed Invest	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Lothian Developments IV	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Koala	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Jan Dockx	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Immo Vivegnis	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Immo Hofveld	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Het Gehucht	Rue des Croisiers 24, 4000 Liège	Investment company	Chairman of the Board of Directors
	Foncière du Berlaymont	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Ethias Patrimoine	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Bora	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
	Ariane Real Estate	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors
Archeion	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors	
Ankaret Invest	Rue des Croisiers 24, 4000 Liège	Asset management company	Chairman of the Board of Directors	
Renard Régis (Head of Actuary & Data)	R4C	Avenue des Evaux 3, 1341 Ottignies-Louvain-la-Neuve	Management company	Manager
Xhonneux Dominique (Head of Risk Management)	Amerigo	Avenue Maurice Destenay 13, 4000 Liège	Investment company	Director

13. Remuneration of the directors

Name of the director (non-executive and executive)	Function in Ethias SA	Remuneration Ethias SA (attendance fees)	Remuneration Ethias SA (fixed compensation)	Number of meetings Ethias SA (Board of Directors - Audit & Risk Committee - Appointments & Remuneration Committee)
Myriam Van Varenbergh	Chair	13,000.00	27,500.00	13
Jacques Braggaar	Non-executive director	18,176.72	9,500.00	13
Marc Descheemaeker	Non-executive director	12,000.00	12,500.00	14
Kathleen Desmedt	Non-executive director	12,473.12	7,500.00	8
Olivier Henin	Non-executive director	18,744.28	9,500.00	13
Ingrid Loos	Non-executive director	21,842.52	12,500.00	18
Claude Melen	Non-executive director	22,591.33	12,500.00	18
Marc Meurant	Non-executive director	20,189.52	12,500.00	18
Philip Neyt	Non-executive director	9,000.00	7,500.00	9
Anne-Marie Seeuws	Non-executive director	17,339.60	9,500.00	13
Karl Van Borm (*)	Non-executive director	9,000.00	7,500.00	9
Bruno van Lierde	Non-executive director	16,000.00	22,500.00	18
Philippe Lallemand (**)	CEO	0.00	0.00	21
Wilfried Neven (**)	CXO	0.00	0.00	17
Nicolas Dumazy (**)	CSDO	0.00	0.00	13
Luc Kranzen (**)	CCDO	0.00	0.00	16
Joris Laenen (**)	CILO	0.00	0.00	17
Izabella Molnar (**)	CDTO	0.00	0.00	12
Maryline Serafin (**)	CFO	0.00	0.00	17
Benoit-Laurent Yerna (**)	CRO	0.00	0.00	18

(*) paid to the City of Antwerp

(**) the directors' terms of office are exercised free of charge

Name of the director	Function	Remuneration company within the scope of consolidation NRB (***) - (attendance fees)	Remuneration company within the scope of consolidation NRB (***) - (fixed compensation)	Number of meetings NRB (Board of Directors - Audit Committee - Appointments & Remuneration Committee)
Philippe Lallemand	Chairman	9,000.00	13,265.00	19
Maryline Serafin	Non-executive director	5,000.00	5,510.00	10

(***) paid to Ethias SA

Name of the director	Function	Remuneration company within the scope of consolidation NRB (attendance fees)	Remuneration company within the scope of consolidation NRB (fixed compensation)	Number of meetings NRB (Board of Directors - Audit Committee - Appointments & Remuneration Committee)
Bruno van Lierde	Non-executive director	6,500.00	6,505.00	13
Myriam Van Varenbergh	Non-executive director	4,500.00	5,255.00	9

Name of the member of the executive committee	Function	Gross remuneration (*)	Gross variable remuneration (*)
Philippe Lallemand	CEO	455,014.16	84,681.00
Joris Laenen	CILO	304,702.88	0.00
Maryline Serafin	CFO	304,702.88	0.00
Luc Kranzen	CCDO	304,702.88	50,091.00
Wilfried Neven	CXO	379,858.52	53,260.00
Benoit-Laurent Yerna	CRO	304,702.88	56,454.00
Izabella Molnar	CDTO	304,702.88	140,000.00
Nicolas Dumazy	CSDO	304,702.88	0.00

(*) does not include other benefits

14. Details of balance sheet and income statement items

14.1. Balance sheet

14.1.1 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: regrouped receivables due from reinsurers.
- III Other receivables: includes guarantees paid, revenues to be recovered from ring-fenced funds, prepaid expenses, various contributions and taxes to be recovered and various debtors.

Heading F. Other asset items

- I. Tangible assets: include facilities, machinery, electronic equipment, tools, furniture, rolling stock, fitting-out of buildings and stock.
- II. Cash at bank and in hand: cash in hand and assets in different banks with a term of less than one month.

Heading G. Accruals

- I. Interest and rent received but not yet due: income from portfolio securities and bank deposits received in the financial year 2022 but will be collected in 2023.

14.1.2 Liabilities

Heading E. Provisions for other risks and expenses

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

Heading G. Debts

- I. Debt arising from direct insurance operations: includes premiums paid prior to maturity, amounts due to various applicants and benefits to be paid.
- IV. Debts toward credit institutions: mainly includes 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.

14.2. Income statements

14.2.1 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.

14.2.2 Non-technical account

Heading 7: Other income.

This item mainly includes reversals of impairments on receivables.

Heading 8: Other expenses.

These are mainly losses on the realization of receivables and impairments on receivables.

15. Balance, income statement and notes

15.1. Balance sheet

Assets	2022	2021
B. Intangible assets	108,068,503	110,453,754
I. Formation expenses	0	448
II. Intangible assets	108,068,503	110,453,306
1. Goodwill	27,325,556	33,317,125
2. Other intangible assets	52,604,303	57,932,046
3. Advance payments	28,138,644	19,204,135
C. Investments	15,900,447,200	15,983,236,833
I. Land and properties	135,148,753	147,945,176
1. Real estate for corporate purposes	5,313,220	5,439,251
2. Others	129,835,533	142,505,925
II. Investments in associated companies and participations	517,084,679	464,743,040
- Associated companies	357,169,140	410,498,678
1. Participating interests	357,169,140	410,498,678
2. Certificates, bonds and receivables	0	0
- Other companies linked by a participating interest	159,915,539	54,244,362
3. Participating interests	146,863,129	41,092,558
4. Certificates, bonds and receivables	13,052,410	13,151,804
III. Other financial investments	15,244,547,431	15,366,753,409
1. Equities, shares and other variable-income securities	687,335,122	702,810,540
2. Bonds and other fixed-income securities	13,177,201,265	13,612,416,270
4. Mortgage loans and mortgage credits	202,828,153	231,059,487
5. Other loans	1,104,959,735	798,470,910
6. Deposits with credit institutions	70,967,156	21,991,732
7. Others	1,256,000	4,470
IV. Deposits with ceding companies	3,666,337	3,795,208
D. Investments related to operations linked to a "Life" business investment fund whose investment risk is not borne by the company	1,609,303,201	1,778,054,022
Dbis. Reinsurers' share of technical provisions	224,800,854	225,729,774
I. Provision for unearned premiums and outstanding risks	77,816	64,649
II. Provision for Life insurance	1,478,991	2,923,417
III. Provision for claims to be paid	223,244,047	222,741,708
E. Receivables	484,130,070	445,578,103
I. Receivables arising from direct insurance operations	254,329,478	212,525,979
1. Policyholders	134,056,487	113,122,373
2. Insurance intermediaries	21,556,600	17,310,715
3. Others	98,716,391	82,092,891
II. Receivables arising from reinsurance operations	145,708,350	113,721,527
III. Other receivables	84,092,242	119,330,597
F. Other asset items	508,749,139	371,610,820
I. Tangible assets	17,090,697	18,634,941
II. Available values	491,658,442	352,975,879
G. Accruals	152,656,360	175,583,193
I. Interest and rent earned but not yet due	152,656,360	175,583,193
Total assets	18,988,155,327	19,090,246,499

Liabilities	2022	2021
A. Equity	1,611,324,752	1,528,203,983
I. Subscribed capital or equivalent funds, net of uncalled capital	1,000,000,000	1,000,000,000
1. Issued capital	1,000,000,000	1,000,000,000
III. Revaluation surpluses	1,660,619	1,660,619
IV. Reserves	90,841,386	78,776,548
1. Statutory reserve	73,650,000	64,150,000
3. Untaxed reserves	15,148,911	12,584,073
4. Available reserves	2,042,475	2,042,475
V. Result carried forward	518,822,747	447,766,816
1. Profit carried forward	518,822,747	447,766,816
B. Subordinated debts	478,604,150	474,920,678
Bbis Funds for future appropriations	18,378,650	18,378,650
C. Technical provisions	13,994,771,455	13,826,929,300
I. Provisions for unearned premiums and outstanding risks	294,668,170	295,804,097
II. Provision for Life insurance	9,571,531,044	9,556,734,162
III. Provision for claims to be paid	3,904,869,102	3,716,785,219
IV. Provision for profit sharing and refunds	36,122,762	43,587,400
V. Equalization and catastrophe provision	6,738,032	7,999,520
VI. C. Other technical provisions	180,842,345	206,018,902
D. Technical provisions related to operations linked to a Life business investment fund whose investment risk is not borne by the company	1,609,303,201	1,778,054,022
E. Provisions for other risks and costs	38,203,852	57,911,114
I. Provisions for pensions and similar liabilities	0	0
II. Provisions for taxes	2,776,732	3,388,783
III. Other provisions	35,427,120	54,522,331
F. Deposits received from reinsurers	165,183,086	87,614,523
G. Debts	1,050,536,101	1,206,415,351
I. Liabilities arising from direct insurance operations	165,444,448	161,123,997
II. Reinsurance payables	12,279,138	8,854,046
IV. Debts owed to credit institutions	545,366,890	729,496,657
V. Other debts	327,445,625	306,940,651
1. Amounts payable for taxes, remuneration and social security	104,985,292	78,405,358
a) taxes	61,835,333	41,291,242
b) remunerations and social security costs	43,149,959	37,114,116
2. Others	222,460,333	228,535,293
H. Accruals	21,850,080	111,818,878
Total liabilities	18,988,155,327	19,090,246,499

15.2. Income statement

I. Technical account Non-Life	2022	2021
1. Earned premiums, net of reinsurance	1,468,685,117	1,365,362,599
a) Gross premiums	1,511,642,376	1,404,327,739
b) Outgoing reinsurance premiums (-)	-44,106,353	-39,194,778
c) Change in the provision for unearned premiums and outstanding risks, gross of reinsurance (increase -, decrease +)	1,135,927	642,585
d) Change in the provision for unearned premiums and outstanding risks, reinsurers' share (increase +, decrease -)	13,167	-412,947
2bis. Investment income	179,740,827	129,321,439
a) Income from investments in associated companies or companies linked by a participating interest	2,320,014	3,243,350
aa) associated companies	0	390,854
1° participating interests	0	197,156
2° certificates, bonds and receivables	0	193,698
bb) other companies linked by a participating interest	2,320,014	2,852,496
1° participating interests	2,156,816	2,709,825
2° certificates, bonds and receivables	163,198	142,671
b) Income from other investments	151,179,149	101,802,404
aa) income from land and properties	1,521,033	1,341,566
bb) income from other investments	149,658,116	100,460,838
c) Write-back of value adjustments on investments	3,161,437	1,612,551
d) Gains on disposal	23,080,227	22,663,134
3. Other technical income, net of reinsurance	2,244,693	1,189,171
4. Claims costs, net of reinsurance (-)	-1,177,382,956	-1,082,915,435
a) Net amounts paid	1,000,506,749	946,642,838
aa) gross amounts	1,029,276,913	990,183,567
bb) reinsurers' share (-)	-28,770,164	-43,540,729
b) Change in provision for claims to be paid, net of reinsurance (increase +, decrease -)	176,876,207	136,272,597
aa) change in provision for claims to be paid, gross of reinsurance (increase +, decrease -)	181,812,740	203,200,612
bb) change in provision for claims to be paid, reinsurers' share (increase -, decrease +)	-4,936,533	-66,928,015
5. Change in the other technical provisions, net of reinsurance (increase -, decrease +)	25,176,557	-273,199
6. Profit sharing and refunds, net of reinsurance (-)	-2,153,981	-3,752,722
7. Net operating costs (-)	-253,421,256	-250,089,664
a) Acquisition costs	119,924,153	119,849,869
c) Administrative costs	138,834,444	134,507,098
d) Commissions received from the reinsurers and participating interests (-)	-5,337,341	-4,267,303
7bis. Investment-related costs (-)	-30,718,704	-14,433,840
a) Investment management costs	7,398,563	6,658,183
b) Value adjustments on investments	11,567,244	3,656,575
c) Losses on disposal	11,752,897	4,119,082
8. Other technical costs, net of reinsurance (-)	-40,850,097	-40,188,310
9. Change in provision for equalization and catastrophe, net of reinsurance (increase -, decrease +)	1,261,488	16,622,494
10. Result of the Non-Life technical account		
Profit (+)	172,581,688	120,842,533

II. Life technical account	2022	2021
1. Premiums, net of reinsurance	1,400,737,057	1,373,062,558
a) Gross premiums	1,402,379,858	1,374,424,237
b) Outgoing reinsurance premiums (-)	-1,642,801	-1,361,679
2. Investment income	323,047,811	360,091,317
a) Income from investments in associated companies or companies linked by a participating interest	8,033,271	5,897,328
aa) associated companies	6,595,881	4,870,793
1° participating interests	6,595,878	4,731,202
2° certificates, bonds and receivables	3	139,591
bb) other companies linked by a participating interest	1,437,390	1,026,535
1° participating interests	1,323,965	818,333
2° certificates, bonds and receivables	113,425	208,202
b) Income from other investments	257,447,443	273,429,743
aa) income from land and properties	11,350,445	10,684,787
bb) income from other investments	246,096,998	262,744,956
c) Write-back of value adjustments on investments	6,518,631	4,218,230
d) Gains on disposal	51,048,466	76,546,016
3. Value adjustments on investments of the assets side D. (income)	200,845,486	225,818,741
4. Other technical income, net of reinsurance	3,575,336	3,223,674
5. Claims costs, net of reinsurance (-)	-1,488,606,942	-1,436,969,444
a) Net amounts paid	1,488,606,942	1,436,969,444
aa) gross amounts	1,490,111,617	1,437,309,411
bb) reinsurers' share (-)	-1,504,675	-339,967
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 +)	233,332,489	-235,363,193
a) Change in provision for Life insurance, net of reinsurance (increase -, decrease +)	-61,674,411	-94,939,505
aa) change in provision for Life insurance, gross of reinsurance (increase -, decrease +)	-60,229,985	-96,551,754
bb) change in provision for Life insurance, reinsurers' share (increase +, decrease -)	-1,444,426	1,612,249
b) Change in the other technical provisions, net of reinsurance	295,006,900	-140,423,688
7. Profit sharing and refunds, net of reinsurance (-)	7,464,638	-3,454,541
8. Net operating costs (-)	-41,176,082	-39,750,183
a) Acquisition costs	8,398,574	7,994,321
c) Administrative costs	32,777,508	31,755,862
d) Commissions received from the reinsurers and profit sharings (-)	0	0
9. Investment-related costs (-)	-81,237,078	-40,888,805
a) Investment management costs	18,838,070	18,041,465
b) Value adjustments on investments	13,992,822	8,078,153
c) Losses on disposal	48,406,186	14,769,187
10. Value adjustments on investments of the assets side D. (costs) (-)	-467,384,130	-93,521,082
11. Other technical costs, net of reinsurance (-)	-5,736,775	-10,290,608
12bis. Change in fund for future appropriations (increase -, reduction +)	0	0
13. Result of the Life technical account		
Profit (+)	84,861,810	101,958,434

III. Non-technical account	2022	2021
1. Result of the Non-Life technical account		
Profit (+)	172,581,688	120,842,533
2. Result of the Life technical account		
Profit (+)	84,861,810	101,958,434
3. Investment income	19,048,035	16,997,387
a) Income from investments in associated companies or companies linked by a participating interest	13,410,946	6,960,588
b) Income from other investments	4,727,056	4,624,855
bb) income from other investments	4,727,056	4,624,855
c) Write-back of value adjustments on investments	816,907	0
d) Gains on disposal	93,126	5,411,944
5. Investment-related costs (-)	-28,613,961	-26,112,992
a) Investment management costs	26,826,102	26,097,425
b) Value adjustments on investments	1,065,857	0
c) Losses on disposal	722,002	15,567
7. Other income	15,482,705	18,273,224
8. Other costs (-)	-25,892,428	-22,524,928
8bis. Current result before taxes		
Profit (+)	237,467,849	209,433,658
12. Exceptional costs (-)	0	-2,309,653
15. Income taxes (-/+)	-46,959,129	-17,542,736
15bis. Deferred taxes (-/+)	2,968	126,119
16. Result of the financial year		
Profit (+)	190,511,688	189,707,388
17. a) Withdrawal from the untaxed reserves	41,888	378,357
b) Transfer to the untaxed reserves (-)	-1,997,645	-1,997,645
18. Result for the period to be appropriated		
Profit (+)	188,555,931	188,088,100

Appropriation and withdrawal	2022	2021
A. Profit to be appropriated	636,322,747	562,266,816
1. Profit for the period available for appropriation	188,555,931	188,088,100
2. Profit carried forward from the previous period	447,766,816	374,178,716
B. Charge to shareholders' equity	0	0
2. to reserves	0	0
C. Transfers to equity (-)	-9,500,000	-9,500,000
2. to the statutory reserve	-9,500,000	-9,500,000
D. Result to be carried forward		
1. Profit to be carried forward (-)	-518,822,747	-447,766,816
F. Profit to be distributed (-)	-108,000,000	-105,000,000
1. Remuneration of capital	108,000,000	105,000,000

15.3. Notes

N° 1. Statement of intangible assets, investment property and investment securities

Name	Asset items concerned			
	B. Intangible assets	C.I. Land and properties	C.II.1. Participating interests in associated companies	C.II.2. Certificates, bonds and receivables in associated companies
a) Acquisition value				
Previous year end	246,221,706	197,133,567	341,695,196	0
Changes during the year				
- Acquisitions	16,253,838		25,633,768	0
- Disposals and withdrawals	-4,396,640	-251,196	22,342,312	0
- Reclassified between headings				0
- Other changes			-40,122,494	0
Year end	258,078,904	196,882,371	304,864,158	0
b) Increase in value				
Previous year end			72,345,152	0
Changes during the year				
- Decided				0
- Cancelled				0
- Reclassified between headings				0
Year end			72,345,152	0
c) Reductions in value				
Previous year end	135,767,952	49,188,390	3,541,670	0
Changes during the year				
- Decided	18,603,970	12,634,753		0
- Written back as excessive				0
- Cancelled	4,361,521	89,525		0
- Transfers from one heading to another				0
Year end	150,010,401	61,733,618	3,541,670	0
c) Amounts not called up				
Previous year end				0
Changes during the year			16,498,500	0
Year end			16,498,500	0
Net book value, year end	108,068,503	135,148,753	357,169,140	0

Name	Asset items concerned			
	C.II.3. Stakes in companies linked by a participating interest	C.II.4. Certificates, bonds and receivables in companies linked by a participating interest	C.III.1. Equities, shares and other variable-income securities	C.III.2. Bonds and other fixed-income securities
a) Acquisition value				
Previous year end	60,761,480	13,151,804	750,521,043	13,927,760,087
Changes during the year				
- Acquisitions	77,387,676	1,400,000	246,387,957	1,933,393,896
- Disposals and withdrawals	0	1,499,394	243,715,273	2,368,799,446
- Reclassified between headings				
- Other changes	40,122,494	0	0	-34,486,428
Year end	178,271,650	13,052,410	753,193,727	13,457,868,109
b) Increase in value				
Previous year end		0		
Changes during the year				
- Decided		0		
- Cancelled		0		
- Reclassified between headings		0		
Year end		0		
c) Reductions in value				
Previous year end	10,764,646	0	11,164,503	315,343,817
Changes during the year				
- Decided	788,862	0	7,484,279	-23,144,658
- Written back as excessive		0	241,193	2,412,000
- Cancelled		0	6,041,627	9,120,315
- Transfers from one heading to another		0		
Year end	11,553,508	0	12,365,962	280,666,844
c) Amounts not called up				
Previous year end	8,904,277	0	36,546,000	
Changes during the year	10,950,735	0	16,946,643	
Year end	19,855,012	0	53,492,643	
Net book value, year end	146,863,129	13,052,410	687,335,122	13,177,201,265

N°2. Statement of participating interests and social rights held in other companies

NAME, full address of the REGISTERED OFFICE and if it concerns a company under Belgian law, the VAT or NATIONAL NUMBER	Social rights held by			Data extracted from the last available annual report				
	directly		by the subsidiaries	Financial statements as of	Currency	Equity	Net profit or loss	
	Number	%				(+ or -)		
			(in thousands of currency units)					
Air Properties SA Rue Léon Laval 12, L-3372 Leudelange B179.427	140,411	65	0	12/31/2021	EUR	9,936	1,239	
Ankaret Invest SA Rue des Croisiers, 24 B-4000 Liège BE 0438.840.866	2,368,879	100	0	12/31/2021	EUR	17,550	-119	
Archeion SA Rue des Croisiers, 24 B-4000 Liège BE 0832.269.896	28,410	100	0	12/31/2021	EUR	2,179	113	
Ariane Building SA Place Saint-Jacques, 11/104 B-4000 Liège BE 0862.467.382	8,050	25	0	12/31/2021	EUR	-2,748	-976	
Ariane Real Estate (ARE) SA Rue des Croisiers, 24 B-4000 Liège BE 0898.866.435	200	100	0	12/31/2021	EUR	8,234	309	
Assurcard NV Fonteinstraat 1A/301 B-3000 Leuven BE 0475.433.127	900	20	0	12/31/2021	EUR	3,153	142	
Bedrijvencentrum regio Geraardsbergen Herenveld 2 -9500 Geraardsbergen BE 0456.832.584	32	28	0	12/31/2021	EUR	907	31	
Bora SA Rue des Croisiers 24 B-4000 Liège BE 0444.533.281	484	100	0	12/31/2021	EUR	5,689	150	
Centrexperts Avenue Franklin Roosevelt 104/1 1330 Rixensart BE 0463.891.315	80	10	0	12/31/2021	EUR	176	7	
Cityforward Vlaamsekaai, 35 2000 Antwerpen BE 0784.472.652	50,000,000	50	0					
De Oostendse Haard asbl Nieuwpoortsesteenweg, 205 B-8400 Ostende BE 0405.277.282	1,400	16	0	12/31/2021	EUR	21,016	791	
E.D.A. SA Avenue de la Cokerie 3 B-4030 Grivegnée BE 0823.162.982	10	10	0	12/31/2021	EUR	315	15	
Eiffage Development SA avenue Brugmann 27 B-1060 Saint-Gilles BE 0418.472.450	3,500	35	0	12/31/2021	EUR	24,191	3,318	
Epico II Wind BV Rue du Vieux Marché aux Grains 63 B-1000 Bruxelles BE 0787.696.121	3,094,000	39	0					
Epimède SA Lambert Lombard, 3 B-4000 Liège BE 0634.750.380	2,080	20	0	6/30/2022	EUR	9,009	4,748	
Ethias Patrimoine SA Rue des Croisiers, 24 B-4000 Liège BE 0894.377.612	40	100	0	12/31/2021	EUR	21,739	17	
Ethias Services SA Rue des Croisiers, 24 B-4000 Liège BE 0825.876.113	999	100	0	12/31/2021	EUR	3,563	-390	
Ethias Sustainable Investment Fund SA (European Equities High Yield) Rue des Croisiers, 24 B-4000 Liège BE 865.127.063	254,156	92	8	12/31/2021	EUR	107,871	20,637	
Ethias Sustainable Investment Fund SA (Global Equities) Rue des Croisiers, 24 B-4000 Liège BE 865.127.063	21,144	100	0	12/31/2021	EUR	25,491	4,566	

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)			
Ethias Ventures rue des Croisiers 24, B-4000 Liège BE 0793.497.216	1,000	100	0				
Expertisebureau Bellefroid NV Kiewitstraat 175 B-3500 Hasselt BE 0429.884.105	13	10	0	12/31/2021	EUR	596	-63
Foncière du Berlaymont sprl Rue des Croisiers, 24 B-4000 Liège BE 0833.012.640	1,000	100	0	12/31/2021	EUR	197	8
Green4you SA boulevard du Roi Albert II 7, B-1210 Saint-Josse-ten-Noode BE 0778.652.157	2,600	26	0				
Hamsterhuren - location écoreuil II Begijnhof 58 3800 Sint-Truiden BE 0761.522.848	38,554	22	0				
Het Gehucht SA rue des Croisiers, 24 B-4000 Liège BE 0808.840.636	500	100	0	12/31/2021	EUR	1,419	20
Idelux Développement Drève de l'Arc-en-ciel, 98 B-6700 Arlon BE 0205.797.475	75	11	0	12/31/2021	EUR	79,458	961
IMA Benelux square des Conduites d'Eau 11-12, B-4020 Liège BE 0474.851.226	16,500	33	0	12/31/2021	EUR	1,992	-399
Immo Hofveld SA rue des Croisiers, 24 B-4000 Liège BE 0889.535.233	1,000	100	0	12/31/2021	EUR	1,266	34
Immovivegnis SA rue des Croisiers, 24 B-4000 Liège BE 0463.660.394	10,500	100	0	12/31/2021	EUR	9	-26
Impulse Microfinance Investment Fund Sneeuwbeslaan, 20/2 B-2610 Wilrijk BE 0870.792.160	1,200	11	0	12/31/2021	EUR	1,586	1,143
Jan Dockx SA rue des Croisiers, 24 B-4000 Liège BE 0458.920.757	2,500	100	0	12/31/2021	EUR	2,121	18
Koala SA rue des Croisiers 24, B-4000 Liège BE 0873.412.150	400	100	0	12/31/2021	EUR	4,436	57
Lothian Developments IV SA rue des Croisiers, 24 B-4000 Liège BE 0463.648.518	1,012,873	100	0	12/31/2021	EUR	3,026	265
Maison de l'assurance Square de Meeûs, 29 B-1000 Bruxelles BE 0403.306.501	2,776	11	0	12/31/2021	EUR	2,814	14
Naos SA Rue Léon Laval 12, L-3372 Leudelange B 207.559	670,000	67	0	12/31/2021	EUR	12,950	1,455
NEB Foncière SA rue Louvrex, 95 B-4000 Liège BE 0480.029.838	145	29	0	12/31/2021	EUR	127	-1
NEB Participations SA rue Louvrex, 95 B-4000 Liège BE 0480.029.739	60,503	29	0	12/31/2021	EUR	65,817	10,932
Network Research Belgium SA P.l. des Hauts-Sarts 2ème avenue, 65 B-4040 Herstal BE 0430.502.430	42,530	68	0	12/31/2021	EUR	116,305	40,808

Palais des expositions congrès de charleroi rue de robiano, 74 B-7130 Binche BE 0401.553.571	9,856	23	0	12/31/2021	EUR	-578	-445
Real Goed Invest SA rue des Croisiers, 24 B 4000 Liège BE 0872.354.157	1,046	100	0	12/31/2021	EUR	2,690	100
Sagitta SA rue des Croisiers 24, B-4000 Liège BE 0812.356.489	240	100	0	12/31/2021	EUR	2,717	64
Veran Real Estate CY SA rue des Croisiers, 24 B-4000 Liège BE 0894.106.012	100	100	0	12/31/2021	EUR	4,608	95
Vital Building SA Place Saint-Jacques, 11/105 B-4000 Liège BE 0875.171.810	5,000	50	0	12/31/2021	EUR	5,064	261
Weerts Logistic Parks Holding Varnstraat, 2 3793 Teuven BE 0837.446.629	39,540,925	33	0	12/31/2021	EUR	112,439	-2,065
Zabrixx I Antoon Catriestraat, 8A 9031 Gent BE 0786.725.725	4,890	49	0				

N° 3. Actual value of investments

Asset items	Amounts
C. Investments	14,300,855,148
I. Land and properties	154,076,897
II. Investments in associated companies and participations	901,127,200
- Associated companies	634,012,238
1. Participating interests	634,012,238
2. Certificates, bonds and receivables	0
- Other companies linked by a participating interest	267,114,962
3. Participating interests	255,173,260
4. Certificates, bonds and receivables	11,941,702
III. Other financial investments	13,241,984,714
1. Equities, shares and other variable-income securities	829,768,090
2. Bonds and other fixed-income securities	11,120,521,598
4. Mortgage loans and mortgage credits	193,388,657
5. Other loans	1,022,651,405
6. Deposits with credit institutions	70,967,156
7. Others	4,687,808
IV. Deposits with ceding companies	3,666,337

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: € 500,000,000, rate risk	0	3,401,598
Foward bonds, volume: € 2,069,618,500, credit risk	0	129,363,612
Index options, volume: € 14,800, market risk	1,256,000	1,286,210

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	120,785,928	96,896,935
C.II.3 Investments in associated companies and participations - participating interests	62,398,449	56,262,067
C.III.1 Other financial investments - equities, shares and other variable-income securities	282,376,011	243,262,446
C.III.2 Other financial investments - bonds and other fixed-income securities	11,690,632,845	9,585,169,766
C.III.4 Mortgage loans and mortgage credits	202,828,152	193,388,657
C.III.5 Other financial investments - other loans	743,023,773	660,584,828

For each of the financial fixed assets referred to in B., or each of the individual assets or appropriate groupings of those individual assets referred to in B., which is carried at an amount in excess of their fair value, the reasons why the book value has not been reduced must also be stated below, together with the nature of the indications underlying the assumption that the book value will be recoverable:

- C.II.1 Investments in associated companies and participations - participating interests: see valuation rules in note 20 (item 2)
- C.II.3 Investments in associated companies and participations - participating interests: see valuation rules in note 20 (item 2)
- C.III.1 Other financial investments - equities, shares and other variable-income securities: see valuation rules in note 20 (item 2)
- C.III.2 Other financial investments - bonds and other fixed-income securities: see valuation rules in note 20 (item 2)
- C.III.4 Prêts et crédits hypothécaires. cfr. règles d'évaluations dans l'annexe 20 (point 2)
- C.III.5 Other financial investments - other loans: see valuation rules in note 20 (item 2)

For items C.II.1 and C.II.3 "Investments in associated companies and participations - participating interests", the valuation rules stipulate that these investments are subject to write-downs in the event of lasting impairment. The Valuation Committee analyzed the cases of unrealized losses and concluded that none of these were of a lasting nature. For item C.III.1 "Other financial investments - equities, shares and other variable-income securities", the unrealized losses on these investments are not of a lasting nature in accordance with our rules, which stipulate that impairments are recorded when the loss is more than 50% compared to the acquisition value or 20% for at least one year. These criteria have not been met for the positions listed in this note.

For item C.III.2 "Other financial investments - bonds and other fixed-income securities", the Valuation Committee's analysis of these positions shows that the decrease in market value is mainly due to the upward fluctuation of interest rates on the market and not to the credit quality of the issuers, which has not deteriorated.

For items C.III.4 "Mortgage loans and mortgage credits" and C.III.5 "Other financial investments - other loans", the unrealized losses are also attributable to the increase in interest rates on the markets and not to a deterioration in the credit quality of the debtors of these loans.

N° 5. Statement of capital

	Amounts	Number of shares
A. Share capital		
1. Subscribed capital (item A.I.1. of the liabilities)		
- Previous year end	1,000,000,000	xxxxxxxxxxxxxxx
- Changes during the year		
- Year end	1,000,000,000	xxxxxxxxxxxxxxx
2. Structure of the capital		
2.1. Classes of shares under company law	1,000,000,000	20,000,000
2.2. Registered or dematerialized shares		
Registered	xxxxxxxxxxxxxxx	20,000,000
G. Ownership structure of the company at the closing date of the accounts		
EthiasCo SRL	xxxxxxxxxxxxxxx	1,000,010
Flemish Region	xxxxxxxxxxxxxxx	6,333,330
Walloon Region	xxxxxxxxxxxxxxx	6,333,330
Federal State (SFCl)	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	20,497,724
Other provisions for risks and charges	3,585,237
Provision for disputes	11,344,159

N° 7. Statement of technical provisions and debts

Liability items concerned	Amounts
a) Breakdown of the debts (or a part of the debts) with a residual maturity of more than 5 years.	
B. Subordinated debts	478,604,150
II. Non-convertible loans	478,604,150
Total	478,604,150
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	1,609,303,201
G. Debts	419,354,947
IV. Debts toward credit institutions	419,354,947
Total	2,028,658,148
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	61,835,333
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	43,149,959
Total	104,985,292

N° 8. Statement of accruals for liabilities

Breakdown of the liability item H	Amounts
Financial income to be carried forward	851,341
Result on other derivatives to be reallocated	827,461
Financial charges to be allocated (Bond Issue and REPO)	20,171,278

N° 10. Information on technical accounts

I. 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	1,511,642,376	1,511,433,225	577,261,348	269,906,041	195,972,351
2) Earned gross premiums	1,512,778,303	1,512,569,152	577,313,439	269,133,752	195,714,554
3) Gross damages	1,211,089,657	1,208,843,565	521,440,460	237,093,785	112,850,282
4) Gross operating costs	258,758,597	258,563,200	60,912,048	57,412,143	40,392,561
5) Reinsurance balance	-5,050,719	-5,050,719	-647,746	-6,158,868	-7,845,167
6) Commissions (art. 37)		34,291,278	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	285,480	258,580,860	100,849,240	19,518	20,291,197
2) Earned gross premiums	295,471	252,066,985	100,474,448	19,518	30,579,211
3) Gross damages	998,542	166,668,935	87,356,906	126	9,231,174
4) Gross operating costs	55,445	55,033,995	18,719,464	11,621	3,725,005
5) Reinsurance balance	0	4,390,532	5,210,530	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	42,481,066	45,786,124	209,151
2) Earned gross premiums	42,341,462	44,630,312	209,151
3) Gross damages	42,340,259	30,863,096	2,246,092
4) Gross operating costs	10,203,246	12,097,672	195,397
5) Reinsurance balance	0	0	0
6) Commissions (art. 37)	0	0	0

86

II. Life insurances

Content	Amounts
A. Direct business	
1) Gross premiums	1,402,379,858
a) Individual premiums	46,077,654
Premiums under group insurance contracts	1,356,302,204
b) Periodic premiums	1,188,123,622
Single premiums	214,256,236
c) Premiums for non-bonus contracts	27,189,311
Premiums for bonus contracts	1,362,983,947
Premiums from contracts where the investment risk is not borne by the company	12,206,601
2) Reinsurance balance	-1,582,552
3) Commissions (art. 37)	3,457,294
B. Accepted cases	
Gross premiums	0

III Non-Life insurance and Life insurance, direct business

Content	Amounts
Gross premiums	
- in Belgium	2,878,680,734
- in the other states of the EEC	35,132,348

N° 11. Statement on personnel employed

A. The following information relating to the financial year and to the previous financial year, concerning employees entered in the personnel register and connected to the enterprise by an employment contract or by a first employment agreement	2022	2021
a) Their total number at the financial year's closing date	1,952	1,976
b) The average number of personnel employed by the company during the previous financial year, calculated in full-time equivalents in accordance with Article 15, §4 of the Belgian Company Code, and broken down according to the following categories:	1,805	1,774
- management staff	28	26
- clerical staff	1,777	1,748
c) The number of hours worked	2,590,757	2,571,733

B. The following information relating to the financial year and the previous financial year, concerning temporary staff and persons made available to the company	2022	2021
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	4	4
c) The number of hours worked	7,496	7,754

N° 12. Statement on all administrative and management costs, broken down by type

Name	Amounts
I. Employee benefit expenses	189,736,834
1. a) Remunerations	115,370,680
b) Pensions	0
c) Other direct social benefits	34,003,257
2. Employers' social security contributions	37,235,802
3. Employers' allowances and premiums for extra-legal insurances	174,889
4. Other employee benefit expenses	2,952,206
5. Provisions for pensions, remuneration and social security costs	0
a) Appropriations (+)	0
b) Expenditures and reversals (-)	0
II. Services and other goods	175,203,637
III. Depreciation and write-down on intangible and tangible assets other than investments	21,937,275
IV. Provisions for other risks and expenses	-5,139,935
1. Allocation (+)	0
2. Expenditures and reversals (-)	-5,139,935
V. Other current expenditure	10,400,398
1. Fiscal operating costs	1,319,495
a) Property tax	1,174,202
b) Others	145,293
2. Contributions to public bodies	3,623,510
4. Others	5,457,393
VI. Administrative costs recovered and other current income (-)	-6,422,200
1. Recovered administrative costs	6,422,200
b) Others	6,422,200
Total	385,716,009

N° 13. Other income, other costs

	Amounts
A. Breakdown of the other income (item 7 of the non-technical account)	
Reversals of write-downs on litigations	14,915,577
Capital gains realized on tangible assets	30,000
Others	537,129
B. Breakdown of the other costs (item 8 of the non-technical account)	
Amortizations	448
Impairments on receivables	16,781,588
Capital losses realized on assets	3,104,429
Others	6,005,963

N° 15. Income taxes

	Amounts
A. Breakdown of item 15 a) 'Taxes'	48,315,000
1. Income taxes for the financial year	48,315,000
a) Refundable advance payments and prepayments	48,612,518
b) Other attributable items	0
c. Excess of advance payments and / or capitalized refundable withholding taxes (-)	297,518
d. Estimated tax supplements (included in heading G.V.1.a) of liabilities)	0
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)	-13,650,939
- Income exempt and non-allowable losses on shares	-6,737,419
Disallowed expenses (excluding shares)	11,265,711
- Miscellaneous deductions (DTI, income from innovation)	-44,650,000
D. Sources of deferred tax assets	
1. Deferred tax assets	1,096,060,000
- Accumulated tax losses and definitively taxed income ("RDT") (carry-forward)	0
- Taxed technical provisions	1,079,430,000
- 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

	2022	2021
A. Charges		
1. Charges on insurance contracts borne by third parties	262,916,042	254,137,135
2. Other charges borne by the company	918,016	983,097
B. Amounts retained on behalf of third parties in respect of		
1. Withholding tax on earned income	364,011,049	312,149,850
2. Withholding tax (on dividends)	5,266,463	1,669,722

N° 17. Off-balance sheet rights and commitments

	Amounts
A. Guarantees given or irrevocably promised by third parties on behalf of the company*	
B. Personal guarantees given or irrevocably promised on behalf of third parties	
C. Real guarantees given or irrevocably promised by the company on its own assets as security for debts and commitments	
a) of the company	448,985,879
D. Collateral received (others than in cash)	
a) securities and values of reinsurers	110,778,757
b) others	597,436,823
G. Nature and business purpose of off-balance sheet transactions	
H. Others	5,113,717,362
Commitments to acquire real estate	139,489,834
Infrastructure lending commitments	29,137,175
Financial lending commitments	53,287,898
Public Bodies lending commitments	10,000,000
Mortgage lending commitments	49,674,245
Participating interest commitments	95,406,000
Equity commitments	45,000,000
Bond fund commitments	118,811,949
Equity fund commitments	47,413,701
Infrastructure fund commitments	38,341,184
Commitments to acquire other securities	871,265,000
Commitments to dispose of other securities	2,581,081,947
IT projects commitments	1,608,429
IRS swap - Receive leg	500,000,000
IRS swap - Pay leg	500,000,000
Property lending commitments	17,400,000
Estimate of additional compensation - flooding	15,800,000

N° 18. Relationships with associated companies and companies linked by a participating interest

Relevant items of the balance sheet	Associated companies		Companies linked by a participating interest	
	2022	2021	2022	2021
C. II. Investments in associated companies and participations	357,169,140	410,498,678	159,915,539	54,244,361
1 + 3 Participating interests	357,169,140	410,498,678	146,863,129	41,092,557
2 + 4 Certificates, bonds and receivables	0	0	13,052,410	13,151,804
- Others	0	0	13,052,410	13,151,804
D. II. Investments in associated companies and participations	3,271,915	4,751,072	0	0
1 + 3 Participating interests	3,271,915	4,751,072	0	0
E. Receivables	2,535	55,449	619,019	902,784
I. Receivables arising from direct insurance operations	2,535	37,757	341,943	709,339
III. Other receivables	0	17,692	277,076	193,445
B. Subordinated debts	3,500,000	3,500,000	0	0
G. Debts	8,681,097	12,878,563	0	0
I. Receivables arising from direct insurance operations	0	0	0	0
V. Other debts	8,681,097	12,878,563	0	0

	Associated companies	
	2022	2021
Other significant financial commitments	95,473,000	8,831,582

N°18bis. Relations with associated companies

Relations with the associated companies (*)		
	2022	2021
1. Amount of the financial fixed assets	123,183,506	79,700,890
- Participating interests	123,183,506	79,700,890
2. Receivables on associated companies	1,812,500	37,500
- Within one year	1,812,500	37,500
5. Other significant financial commitments	337,225,893	188,484,158

(*) Associated companies in accordance with article 12 of the Belgian Company Code

N°19. Financial relations with

	Amounts
A. Guarantees given or irrevocably promised by third parties on behalf of the company*	
1. Outstanding receivables on these persons	0
4. Direct and indirect remunerations and allocated pensions charged to the income statement	
- to directors and managers *	341,357

* 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	947,320
2. Fees for exceptional services or special missions accomplished within the company by the statutory auditor	21,120
- Other control missions	21,120
- Other missions outside the audit missions	0
3. Fees for exceptional services or special missions accomplished within the company by the persons with whom the statutory auditor is linked	0
- Tax advice missions	0
- Other missions outside the audit missions	0

N° 20. Valuation rules

The valuation rules applicable on the income statement are mentioned below.

Asset side of the balance sheet

Intangible assets (heading B)

Intangible assets are 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. This depreciation will on the one hand be justified, case by case, according to the financial situation, the profitability or the prospects of the company in which the participating interests or shares are held and will on the other hand be recorded on the basis of a proposal from the Executive Committee.

Other financial investments (sub-heading C.III.)

Equities, shares and other variable-income securities (C.III.1)

These investments are subjected to impairments in case of durable capital loss. The existence of a significant 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 Executive Committee for consideration when the markets are more volatile.

Additional or exceptional impairments can be recognized on a proposal from the Executive Committee. The impact of these impairments is included in the notes accompanying the income statement provided that they represent an important amount.

In case of disposal of securities, the book value, used to calculate the 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, the following criteria are taken into account to identify durable losses in value, on the one hand, and to assess whether the recognition of an impairment is required:

Criteria for determining durable losses in value

- The insurance portfolio / the relevant separate management;
- The ability of the company to hold these securities to maturity;
- The duration of the 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 these 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)

These items are recognized at their nominal of purchase price.

For insurance receivables related to Non-Life premiums, impairments are made after one year (accounting date). Furthermore, impairments are registered to take into account the uncertainties of their recovery.

Available values (sub-heading F.II)

These items are recognized at their nominal of purchase price.

Reinsurers' share of technical provisions (heading D. bis)

This item shows the reinsurers' commitment. The amounts recorded are obtained in accordance with the various applicable reinsurance treaties.

Other asset elements (heading F)

Tangible assets (sub-heading F.I)

The tangible assets are 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° 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	25,323,710

Derivative financial instruments used

Forward bonds coupled with forward swaps	12 acquisition transactions and 7 financial year transactions
Forward bonds sell	40 acquisition transactions and 2 financial year transactions
Inflation swap	2 acquisition transactions and 2 disposal transactions
Index Put/Call	26 acquisition transactions and 15 disposal transactions

Profit and loss accounts	Result	Reversal of impairment losses	Provision for impairment losses	Accrued interests not yet due
Forward bonds coupled with forward swaps			-314,772	
Forward bonds sell	1,289,418			
Cap/floor				
Inflation swap				-260,676
Index Put/Call	-2,031,560		-1,069,271	

Goodwill

The amount of 27 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 10.5 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 16.7 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 15 November 2022, 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 2021 financial year, as the solvency requirements were met.

The COVID-19 pandemic

Since the beginning of the pandemic, Ethias has wanted to play an active social role by providing assistance to several actors in our society. In 2022, Ethias continued this commitment by providing free Civil Liability and Bodily Injury insurance for all COVID vaccination centers and by offering - beyond insurance - its support to sectors that needed it.

Immediately after spring half-term, Ethias distributed 1,500 jars of hydroalcoholic gel to the insured schools of nursery, primary and secondary education.

Ethias granted the cultural sector a 25 % discount on the 2022 fire insurance premium.

Ethias offered a new premium reduction for Belgian sports federations.

Flooding of July 2021

Following the floods of July 2021, the insurers and the Regions have joined forces in order to fully compensate the claims insured in Simple Risks. An intervention protocol was signed in August 2021 to share the burden. This protocol stipulated that once the claims payments exceeded the insurer's double intervention limit, a "loan" was recognized as financial asset item per Region. This would contain the claims payments attributable to the governments, i.e. the claims amounts paid beyond the insurer's double intervention limit without any counterpart in technical accounting. This protocol provided that if the estimated threshold of 1.7 billion was exceeded, the parties would meet again to examine and specify the cost allocation mechanism, referred to in the protocol as the "Rendezvous Clause".

As of October 31, 2022, the estimated total amount of Simple Risks claims in Wallonia was 1,996 million euros and the payments made by the insurers amounted to 1,693 million euros. The Rendezvous Clause was therefore triggered. In January 2023, it was agreed that the Walloon Region would intervene for an amount of 1,030 million. The nine insurers concerned by the Rendezvous Clause will take charge of all compensation due beyond the maximum amount of intervention by Wallonia, on the basis of a proportional distribution key agreed between them.

As of December 31, 2022, the loans to the Regions amount to 191 million euros and the additional intervention of Ethias following the new agreement signed in January 2023 is estimated at over 60 million euros. An estimate of the amounts borne by the governments that the insurer will have to pay after December 31, 2022 is recorded in the off-balance sheet for an amount of 15.8 million euros.

15.4. 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.

2022 (During the year)	Total	Men	Women
Average amount of employees			
Full-time	1,543	832	711
Part-time	404	132	272
Total in full-time equivalents (FTE)	1,805	908	897
Number of hours actually worked			
Full-time	2,206,572	1,211,809	994,763
Part-time	384,186	121,622	262,564
Total	2,590,757	1,333,431	1,257,326
Employee benefit expenses			
Full-time	161,600,598	88,748,099	72,852,499
Part-time	28,136,236	8,907,100	19,229,136
Total	189,736,834	97,655,199	92,081,635
Amount of benefits granted in addition to wages	891,070	458,623	432,447

2021 (During the year)	Total	Men	Women
Average amount of employees	1,774	890	884
Number of hours actually worked	2,571,733	1,319,340	1,252,393
Employee benefit expenses	176,850,260	90,727,008	86,123,252
Amount of benefits granted in addition to wages	207,079	106,235	100,844

2022 (At the financial year's closing date)	Full-time	Part-time	Total (FTE)
Number of employees	1,585	367	1,825
By type of employment contract			
Permanent contract	1,519	364	1,756
Fixed-term contract	60	2	62
Replacement contract	6	1	7
By sex and educational level			
Men	846	119	916
secondary education	103	49	131
higher non-university education	439	48	468
university education	304	22	317
Women	739	248	909
secondary education	86	69	127
higher non-university education	377	115	462
university education	276	64	320
By professional category			
Management staff	27	1	28
Clerical staff	1,558	366	1,797

Temporary staff and persons made available to the company

2022 (During the year)	Temporary staff
Average number of persons employed	4
Number of hours actually worked	7,496
Costs for the company	305,927

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.w	128	5	132
By type of employment contract			
Permanent contract	80	3	82
Fixed-term contract	46	2	48
Replacement contract	2	0	2

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.	104	53	134
By type of employment contract			
Permanent contract	75	52	104
Fixed-term contract	27	1	28
Replacement contract	2	0	2
By reason of termination of the contract			
Retirement	9	43	31
Unemployment with company allowance	18	3	20
Dismissal	16	1	17
Other reason	61	6	66

Information about training for employees during the financial year

2022	Men	Women
Formal initiatives of continuing vocational training paid by the employer		
Number of employees involved	879	910
Number of hours of training	25,293	25,786
Net costs for the company	2,340,164	2,394,275
of which gross costs directly linked to trainings	2,259,083	2,310,335
of which contributions and deposits paid to collective funds	82,431	85,338
of which allowances and other financial benefits received (to be deducted)	1,350	1,398
Less formal or informal initiatives of continuing vocational training paid by the employer		
Number of employees involved	889	933
Number of hours of training	4,813	4,779
Net costs for the company	342,891	340,468

16. Statutory auditor's report on the annual accounts for the year ended 31 December 2022



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 2022

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 fifteen 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 2022, 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 18.988.155.327 and a profit and loss account showing a profit for the year of EUR 188.555.931.

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 2022, 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 judgement, 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 2022, technical provisions amount to EUR 13.995 and represent 74% of the total balance sheet.

The adequacy test of these provisions is complex and relies on a significant degree of judgement. The assumptions used may be influenced by economic conditions, future management actions as well as by the laws and regulations applicable to the Company.

Given the materiality of these technical provisions in the annual accounts as well as the risk of inadequacy, we consider the adequacy of the technical provisions to be a key audit matter.

How our audit addressed the key audit matter

Assisted by our internal actuarial experts, we reviewed the design and tested the operational effectiveness of the key controls put in place by the Company to guarantee the adequacy of technical provisions. We have also paid particular attention to the controls implemented by the Company to ensure the quality of the data used in the framework of the technical provisions adequacy test.

We also assessed the relevance of the technical provisions adequacy test, considering the current market conditions, as well as its adequacy in relation to the technical results observed during the past financial year.

Finally, we performed an independent test on the adequacy of technical provisions and compared it with the amounts determined by the Company.

Note that we have shared and corroborated our conclusions with the actuaries and the actuarial function of the Company.

Based on our audit, we believe that the assumptions used to determine the adequacy of technical provisions are reasonable. The independent tests we carried out did not reveal any exceptions as to the adequacy of the technical provisions.

Valuation of investments for which a price quoted on an active market is not available*Description of the key audit matter*

The Company holds investments for which there is no quoted price in an active market. Indeed, the fair value of a certain number of these investments is determined using valuation techniques which are not based on observable market data (so-called level 3).



FREE TRANSLATION

As of 31 December 2022, the Company held assets valued by a third party (share funds, debt funds and non-quoted shares) and valued internally (corporate bonds) for a significant book value.

The valuation of these investments is a key audit matter due to the importance of the estimates made and the impact that the valuation may have on note 3 of the annual accounts and the determination of the impairments to be accounted for.

How our audit addressed the key audit matter

We have reviewed the design and operational effectiveness of the key controls put in place by the Company to ensure the accuracy of the valuation of these investments.

For a sample of investments, we also reviewed the estimates made and the key assumptions applied in determining the fair value. We also tested the standing data used in determining the fair value.

Finally, we involved experts in the valuation of financial instruments who independently recalculated the fair value of a sample of investments.

Based on our procedures we believe that the retained fair values of these investments are reasonable.

Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the annual accounts in Belgium. A statutory audit does not provide any assurance as to the Company's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors are described below.



FREE TRANSLATION

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit and risk committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit and risk committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit and risk committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report and of the documents required to be deposited by virtue of the legal and regulatory requirements, as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Companies' and Associations' Code and the Company's articles of association.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report, certain documents required to be deposited by virtue of legal and regulatory requirements, as well as compliance with the articles of association and of certain requirements of the Companies' and Associations' Code, and to report on these matters.

Aspects related to the directors' report

In our opinion, after having performed specific procedures in relation to the directors' report, the directors' report is consistent with the annual accounts for the year under audit, and it is prepared in accordance with the articles 3:5 and 3:6 of the Companies' and Associations' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

The non-financial information required by virtue of article 3:6, §4 of the Companies' and Associations' Code is included in the directors' report. The Company has prepared the non-financial information based on the internationally recognized reference framework "UN Global Compact". However, in accordance with article 3:75, §1, 6° of the Companies' and Associations' Code, we do not express an opinion as to whether the non-financial information has been prepared in accordance with the internationally recognized reference framework as disclosed in the directors' report to the annual accounts.

Statement related to the social balance sheet

The social balance sheet, to be deposited in accordance with article 3:12, §1, 8° of the Companies' and Associations' Code, includes, both in terms of form and content, the information required under this Code, including, but not limited to, in relation to salaries and education, and does not present any material inconsistencies with the information we have at our disposition in our engagement.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the annual accounts and our registered audit firm remained independent of the Company in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the annual accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemized in the notes to the annual accounts.



FREE TRANSLATION

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 31 March 2022, 25 May 2022 and 14 December 2022 as described in section 12.4 of the directors' report and we have no remarks to make in this respect.

Diegem, 18 April 2023

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

Tom Meuleman
Réviseur d'Entreprises / Bedrijfsrevisor

We're here for you. **ethias**