

AGEAS RESPONSIBLE INVESTMENT FRAMEWORK

AGEAS'S APPROACH TO SUSTAINABLE AND RESPONSIBLE INVESTING

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1. Executive summary

Ageas embraces ESG (Environmental, Social and Governance) investment as a cornerstone of its investment strategy. Ageas is dedicated to responsible investment practices that not only align with its corporate values but also contribute to a positive impact on the world. In its investment management activities, Ageas integrates ESG considerations through three pillars.

Exclusion

Within its investment strategy, Ageas rigorously screens out companies involved in controversial sectors and/or activities and companies that violate the principles of the UN Global Compact in the conduct of their business activities. Some countries are also excluded from Ageas's investment universe.

ESG Integration

Investing in a sustainable and responsible manner involves analysing investment opportunities by integrating environmental, social as well as governance factors. These factors can create risks and opportunities for companies and impact their long-term value.

Engagement

Ageas engages with companies and takes responsibility in guiding them towards a more sustainable future by voting and/or engaging with them.

The scope of this Ageas Responsible Investment Framework covers all Ageas-controlled entities including Ageas Federal Life Insurance Company where certain sector exclusions are not fully implemented due to the specific local regulatory requirements and market conditions. The joint ventures are encouraged to adopt similar sustainability related principles.

This Framework for Sustainable and Responsible Investing describes how in practice sustainability is considered throughout the investment process. The framework has been endorsed by Ageas Investment Committee (AGICO)[1].

[1] This version, last updated in October 2026, has been endorsed by AGICO in October 2026.

2. Introduction

As a defensive long-term investor, Ageas places a significant emphasis on responsible investing by integrating environmental, social, and governance considerations (the so-called ESG factors) and sustainability risks into its investment decision-making process. Ageas believes that these ESG factors and sustainability risks are crucial determinants of investment performance, influencing both returns and risks.

Ageas's commitment to responsible investing involves putting its investments to work as a catalyst for positive change and as an active contribution to the global shift towards a more sustainable economy. By aligning its investment strategies with ESG principles, Ageas not only aims to generate attractive returns for its clients but also to help shape a better, more sustainable world for future generations.

Ageas, supportive of the European Green Deal ambition of net-zero emission by 2050, aims to transition its investment portfolio of European controlled entities accordingly and has set an intermediate target for 2030. This forward-looking target underscores its dedication to climate change mitigation, promoting a more sustainable and resilient future for all.

This Responsible Investment Framework describes how the sustainability risk is embedded in Ageas's investment decision-making process in the European controlled entities.

Ageas aims to adapt this framework to the current regulatory ESG framework, which is ever evolving, and to adjust it to its client's needs and sustainability preferences.

3. Ageas's achievements

Through its European consolidated entities, Ageas has a long track record of integrating sustainability within its investment strategy. The first sustainable investment solution was launched back in 2007 via AG, the Group's Belgian subsidiary, representing approximately 80% of Ageas's investment portfolio.

Since 2018, Ageas has aligned its corporate strategy with the United Nations Sustainable Development Goals (SDGs). Ageas selected 10 goals from the 17 SDGs that it believes can be achieved through its activities, services, and products. By integrating sustainable and responsible principles and practices into investment activities, Ageas also contributes to the SDGs via its investments.

In January 2019, Ageas signed the United Nations Principles of Responsible Investment (UN PRI), affirming its long-standing commitment to sustainable and responsible investing. By underwriting the UN PRI Ageas formally commits to incorporate environmental, social and governance aspects as a fundamental cornerstone of its Responsible Investment Framework. Since that time, the framework has been gradually rolled out within the organisation.

Since 2019, Ageas has excluded all investments in the coal, tobacco and weapons industry and systematically considers ESG factors in its investment decisions. Since then, exclusions of controversial activities and integration of ESG characteristics have been gradually and continuously developed.

Next to this in 2019, the Belgian Group subsidiary AG received the Towards Sustainability label for its responsible Unit Linked products (Branch 23). These products are managed according to a specific framework developed by AG that must be compliant with the requirements of the Belgian Towards Sustainability Quality Standard. In 2020 AG was the first insurance company to offer Branch 21 responsible products with the Towards Sustainability label.

In 2020, Ageas via AG joined "Climate Action 100+", an investor-led initiative to ensure that the world's largest corporate greenhouse gas emitters take necessary action on climate change, and a year later, Ageas joined the CDP (Carbon Disclosure Project), an initiative which urges companies to measure and publish climate related data and to implement strategies to tackle the environmental issues linked to climate change.

In 2021, Ageas launched its corporate strategy Impact24. The strategy explicitly makes sustainability a central priority and defines three sustainability targets for investments:

1. 100% of ESG-integration in the investment decisions by 2024
2. At least EUR 10 billion of investments making a positive contribution to transition towards a more sustainable world by 2024
3. Supportive of the European Green Deal ambition of net-zero emission by 2050, aims to transition its investment portfolio accordingly

Since 2022, Ageas has formally excluded from its investment universe companies that severely violate international norms and standards related to corruption, environment, human rights and labour rights including child labour, forced labour and discrimination. International norms, principles, standards and conventions such as the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises (OECD MNE Guidelines), the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the International Labour Convention (ILO) are used to assess whether a company violates or is at risk of violating one or more UN Global Compact (UN GC) principles.

In December 2022, Ageas joined the Net-Zero Asset Owner Alliance, a member-led initiative of institutional investors committed to transitioning their investment portfolios to net-zero GHG emissions by 2050. This commitment is made in the expectation that governments will follow through on their own commitments to ensure the objectives of the Paris Agreement are met. As this is a long-term target, Ageas also defined an intermediate trajectory to reduce the carbon intensity (scope 1&2) of its proprietary investment portfolios by

50% by 2030 for equities, corporate bonds, and direct infrastructure equity. For the real estate, Ageas targets to decarbonize its portfolio in line with the CRREM 1,5°C global pathways.

In 2023, Ageas via AG joined “Nature Action 100” as a participating investor. This is a global investor-led initiative to drive the necessary corporate action to reverse nature loss.

In 2024, Ageas announces its new strategy Elevate27 in which Ageas reinforce its commitment to responsible investment. Ageas will track two key performance indicators (KPI) for its responsible investments:

1. At least EUR 15 billion of investments making a positive contribution to transition towards a more sustainable world by 2027
2. Reduce GHG intensity (scope 1 & 2) in its proprietary investment portfolios for equities, corporate bonds and direct infrastructure equity by 55% by 2030 (base year: 2021) and decarbonize real estate investments based on CRREM 1.5°C national pathways by 2030. (Scope: European consolidated entities, excluding unit-linked)

Since July 2025, Ageas used the Responsible Engagement Overlay (reo®) service from Columbia Threadneedle Investments as a complement to collective institutional engagement initiatives and direct bilateral engagement. On behalf of Ageas and other investors, Columbia Threadneedle demands targeted actions from issuers regarding key ESG themes, such as climate change, biodiversity and other environmental issues, working conditions and human rights, corporate governance.

Over the years, Ageas's sustainable product range and responsible investing approach have further evolved with the following objectives in mind:

- to generate sustainable long-term returns by considering ESG factors
- to mitigate risks, including sustainability risks
- to meet the needs of its customers
- to actively take part in and have an impact on the development of a socially responsible and sustainable economy.

4. Ageas's commitments

4.1 Principles for responsible investing

This independent United Nations-supported organisation is the largest advocate for responsible investment practices worldwide. By agreeing to uphold these principles, Ageas demonstrates its long-standing commitment to sustainable and responsible investing. By signing the PRI, Ageas committed to 6 principles:

1. Incorporate ESG issues into investment analysis and decision-making processes
2. Be active owners and incorporate ESG issues into ownership policies and practices
3. Seek appropriate disclosure on ESG issues by the entities in which it is invested
4. Promote acceptance and implementation of the principles within the investment industry
5. Work together to enhance Ageas's effectiveness in implementing the principles
6. Report on activities and progress towards implementing the principles

4.2 Sustainable development goals

Since 2018, Ageas has aligned its corporate strategy with the United Nations Sustainable Development Goals (SDGs) which the United Nations wants to achieve by 2030. Ageas has chosen 10 objectives out of the 17 Sustainable Development Goals (SDGs) that it believes it can actively contribute towards through its various activities, services, and products.

By integrating sustainable and responsible principles and practices into its investment activities, via its investments, Ageas contributes to SDGs such as:

- SDG 9 – Innovation and Infrastructure:
  - Diversified investments in various infrastructure projects with environmental and/or social benefits such as the public transport infrastructure.
- SDG 11 – Sustainable Cities and Communities:
  - Diversified real estate portfolio, including projects with BREEAM certification "very good," "excellent" or "outstanding" or via investments in social housing loans.
- SDG 13 – Climate Action:
  - Among other via investments in renewable energy infrastructure, via exclusion of thermal coal related activities such as coal extraction, power generation based on coal.



4.3 Climate strategy

Climate change, a phenomenon characterised by the long-term shift of the Earth's climate patterns, is primarily a result of human activities, notably the emission of greenhouse gases (GHG). These emissions, caused by activities like the burning of fossil fuels and deforestation, have led to a substantial increase in global temperatures and an array of related consequences, including rising sea levels, extreme weather events, and ecological disruptions. Recognising the gravity of this crisis, the global community has committed to urgently coordinate actions to mitigate and adapt to the impacts of climate change.

The Intergovernmental Panel on Climate Change (IPCC) serves as the preeminent scientific authority on climate change. It conducts comprehensive assessments of the latest research, offering invaluable insights into the causes and consequences of climate change. These assessments serve as a foundation for evidence-based decision-making, guiding the policies and actions necessary to address the multifaceted challenges of climate change.

Based on IPCC's no and low overshoot 1.5 degrees Celsius scenarios and its latest assessment report, the Net Zero Asset Owner Alliance (NZAOA) identified a global average absolute emissions reduction requirement in the range of -22% to -32% by 2025 and -40% to -60% by 2030 to be in line with a maximum temperature rise of 1.5 degrees Celsius above pre-industrial temperatures.

In 2021, Ageas stated to be supportive of the European Green Deal ambition of net-zero emission by 2050. Ageas aims to transition its investment portfolio accordingly and has set an intermediate target for 2030. When it joined NZAOA in 2022, Ageas committed to 3 targets:

- **Emission target**
  - Reduce GHG intensity (scope 1 & 2) in the equities, corporate bonds and direct infrastructure equity proprietary portfolios by 55% by 2030 (base year: 2021).
  - Decarbonise real estate investments based on CRREM 1.5 degrees Celsius national pathways by 2030.

- **Engagement target**

    - Through bilateral, engagement overlay, asset managers and/or collective engagement initiatives, focus on 20 low performing GHG emitters of the portfolio of Ageas and encourage them to take action to meet the European Commission's net-zero ambition.
- **Financing transition target**
    - Invest EUR 10 billion towards making a positive social and environmental impact by 2024 and dedicate at least EUR 5 billion towards climate related investments.

In the new strategy Elevate27, Ageas has reinforced its commitment to responsible investment. The reduction of GHG intensity target has been revised to -55% and the financing transition target has been raised to EUR 15 billion with at least half of this amount dedicated to climate related investments.

The carbon emissions of the investment portfolio of Ageas are part of Ageas's scope 3 emissions. They are calculated using the scope 1 and 2 emissions of the companies Ageas is invested in via its European consolidated entities. The calculations of the carbon intensity are aligned with the Partnership for Carbon Accounting Financials (PCAF) methodology.

Through its climate related commitments, Ageas aims to support the transition to a low-carbon economy and to contribute to the energy transition. The energy transition requires not only moving away or making extensive decarbonisation from and of carbon intensive activities, but also the rapid deployment of decarbonised or low carbon alternatives and solutions. In this context, Ageas has adopted the following approach:

- **Exclude**: Ageas does not finance thermal coal and unconventional oil and gas related activities, coal expansion plan nor new infrastructure related to oil as described in the exclusion section
- **Invest**: Ageas invests in renewable energy infrastructures such as solar panels and onshore and offshore wind farms and will increase the energy efficiency of its real estate portfolio overtime to align it with a pathway in line with a maximum temperature rise of 1.5 degrees Celsius above pre-industrial temperatures
- **Support**: Ageas supports companies that have a credible strategy to make the energy transition happen

Ageas will monitor and publicly disclose its progress at least on an annual basis.

4.4 Biodiversity

Biodiversity is the variability among living organisms from all sources, including, inter alia, terrestrial, marine, and other aquatic ecosystems and the ecological complexes of which they are part; this includes diversity within species, between species, and of ecosystems (Convention on Biological Diversity (1992), Article 2). The significance of biodiversity lies in its multifaceted contributions to human well-being and the overall stability of the environment. Firstly, diverse ecosystems provide essential services such as clean air and water, fertilization of crops, and the regulation of climate. Secondly, a wide array of species, from microscopic organisms to majestic animals, play unique roles in maintaining ecosystem functions.

Ageas addresses biodiversity risk via the 3 pillars of its responsible investment framework

Exclusion

Ageas excludes companies involved in the extraction of unconventional oil and gas and coal-related activities due to their significant negative environmental impacts, as well as companies violating the UN Global Compact (UNGC) principles, which include commitments to sound environmental practices.

ESG integration

Biodiversity is also embedded in Ageas's ESG integration pillar. In practice, Ageas incorporates ESG risk scores and internal ESG analyses in its investment decision-making process to evaluate the existence and effective implementation of sustainable environmental practices within companies such as environmental policy including biodiversity. ESG risk score might include whether a company has a formal policy to either

avoid operating in areas with the highest biodiversity value, commit to "no net loss" or having "net positive impact" on biodiversity, or minimize impact on biodiversity or consider biodiversity in planning. On top, Ageas monitors principal adverse sustainability impact indicators among those related to biodiversity, water and pollution and companies involved in severe controversies.

Engagement

In 2023, Ageas through AG joined “Nature Action 100”, a collective engagement initiative working to drive the necessary corporate action to reverse nature loss. Via its membership to Nature Action 100 Ageas wants to engage with companies to protect biodiversity. Next to that, the Responsible Engagement Overlay (reo®) service from Columbia Threadneedle Investments carries out targeted actions at issuers level regarding key ESG themes, such as climate change, biodiversity and other environmental issues.

Ageas is also a supporter of the “call to action on biodiversity”, launched by Business for Nature that starts from the idea that nature is everyone’s business and that healthy societies, resilient economies and thriving businesses rely on nature.

4.5 Human Rights

Ageas is committed to upholding human rights as a fundamental part of its corporate mission. It is at the very core of Ageas’s commitment to responsible business. Ageas firmly believes in a world where the dignity and well-being of every individual are upheld. Ageas formally subscribed to the UN Global Compact in 2020.

Ageas’s approach to sustainable and responsible investing gives the possibility to guard the respect of human rights through exclusions, ESG integration and engagement pillars.

Exclusion

The UN Global Compact (UN GC) principles cover corruption, environment, human rights and labour rights including child labour, forced labour and discrimination. Companies in breach of one or more of the ten UN GC principles are excluded from Ageas’s investment universe as described in the section related to the exclusion implemented in Ageas investment portfolios.

Countries subject to international sanctions, financial embargoes, and social violations among others for reasons related to the non-respect of human rights are also excluded from Ageas’s investment universe.

ESG integration

When addressing the "S" in ESG, a focus on human rights is critical to ensure that a company respects the rights and dignity of its employees, stakeholders, and the broader community. Companies are tasked with upholding equitable labour practices, encompassing fair wages, safe working conditions and the safeguarding of labour rights. This approach contributes to a more equitable and just society. The respect for human rights is embedded in Ageas’s ESG analysis.

Engagement

Ageas has been using the Responsible Engagement Overlay (reo®) service from Columbia Threadneedle Investments. On behalf of Ageas and other investors, Columbia Threadneedle carries out targeted actions at issuers level regarding key ESG themes, such as working conditions and human rights.

5. Ageas's approach to sustainable and responsible investing

5.1 General approach

Ageas's approach to sustainable and responsible investing, applied to all its investments, is based on three pillars:

1. the **exclusion** of controversial activities and countries
2. the **integration** of environmental, social and governance factors (ESG) in investment decisions
3. the **voting** and **engagement** with companies

The diagram below depicts Ageas's approach to managing investment activities with a focus on sustainability and responsibility. It also illustrates how Ageas integrates sustainability risk in its investment processes.



When applying this three-pillar approach illustrated above, an important focus is being put on the potential sustainability risks of the investment portfolios. Ageas is convinced that sustainability risks can affect the returns on its investments. Examples include climate change, resource scarcity, ecological transition risks, or human rights controversies. Such risks can negatively affect the value of investments both directly and indirectly (through their influence on other risks, such as regulatory risks, technological risks, market risks, and reputational risks). Therefore, Ageas is committed to identifying and mitigating relevant sustainability risks. However, the impact of sustainability risks is difficult to quantify, as they often only play out in the long term and there is currently insufficient high-quality data available to make actual calculations. Therefore, the likely effect of sustainability risks on the return of an investment cannot be quantitatively assessed. Ageas estimates the potential financial impact of the largest sustainability risks, just as it also looks at possible ESG opportunities. Such analysis is not only being conducted before deciding to make a particular investment, but it also continuously monitored whether the analysis remains correct or if new elements have emerged that require adjustments.

Scope

The scope of this Ageas Responsible Investment Framework covers all Ageas-controlled entities including Ageas Federal Life Insurance Company where certain sector exclusions are not fully implemented due to the specific local regulatory requirements and market conditions. The joint ventures are encouraged to adopt similar sustainability related principles.

The responsible investment framework of Ageas is applicable to the General Account (managed in-house or entrusted to an external manager) and to the Unit Linked products (managed externally via mandates or managed internally). Ageas invests insurance premiums in a wide and diversified set of assets spread over many industries. The Responsible Investment Framework covers all asset classes, including:

- cash and cash equivalents

- equities (public and private) including infrastructure equity
- corporate bonds
- government bonds
- loans (public and private) including infrastructure loans
- real estate
- third-party funds

For assets managed by external managers either via mandates or via third-party funds, Ageas performs in the selection process a due diligence including ESG considerations and Ageas privileges asset managers that have signed the UN Principles for Responsible Investments, which have responsible investment policies as well as voting and engagement policies. For the exclusion pillar, the exclusion list of Ageas is fully implemented by external managers that manage Ageas's assets via mandates.

For all deposits and assets on cash accounts managed in-house for the General Account, Ageas evaluates the financial institution based on the ESG integration approach described in section 5.3. For the real estate portfolio managed by AG Real Estate, the general framework is complemented by a specific sustainable development policy implemented at AG Real Estate. More information can be found at: AG Real Estate sustainable development policy.

5.2 Exclusion of controversial activities and countries

5.2.1 Which controversial activities does Ageas exclude from its investment portfolio?

Ageas combines negative screening and normative screening strategies and aims to promote investments that do no significant harm.

Exclusion of countries

The principles related to countries, jurisdictions, entities and individuals with which/whom Ageas is not allowed to or does not wish to do business with are contained in the Ageas's Sanction Policy. It covers among others the official exclusion lists such as United Nations, European Community, Financial Action Task Force, tax haven[2] and embargoes towards countries, entities or individuals.

Weapons industry

Ageas's policy on financing and other types of involvement in the weapons sector are subject to strict compliance with the applicable legislation and regulations. Ageas does not wish to be involved in financing or investing in the manufacturing, trade or any other activity related to "controversial weapons".

Ageas considers "controversial weapons" all weapons of mass destruction and all illegal weapons, as well as their key components, such as, but not only :

- anti-personnel mines,
- cluster munitions,
- biological and chemical weapons including white phosphorous,
- depleted uranium munitions,
- nuclear weapons[3].

[2] Tax havens have the meaning as determined by the EU

[3] An exception is made for companies that only contribute to government controlled nuclear weapon programs in NATO countries that are permitted to possess nuclear weapons under the Nuclear Non-Proliferation Treaty

The company-wide rules are accompanied by further restrictions for direct investments managed in-house or entrusted to an external manager via mandates. So, companies generating more than 10% of revenues out of the following activities, are excluded:

- Military Weapons: companies active in the manufacturing of military weapons systems and/or fully custom-designed components of such weapons and custom-designed products, and/or services that support military weapons and
- Arms: companies active in the manufacturing and/or sale of assault weapons and small arms for civilians, small arms for military/law enforcement, and/or key components of small arms.

Companies generating more than 10% of revenues out of the retail distribution of assault weapons and small arms are also excluded as well as companies in the defence industry.

However, Ageas recognises the need to finance the European defence sector in order to protect its citizens and infrastructure. Ageas therefore might indirectly invest in this sector through defence-related investment initiatives initiated by the Belgian government or by any other government within the European Union or by any government institution of the European Union or by the UK government.

Tobacco

Because of its negative consequences on health, Ageas excludes the financing of companies that are heavily involved in the manufacturing of tobacco and related products. Ageas has defined specific thresholds and rules to come up with an exclusions list that is binding on all portfolio managers, for both its own assets under management as well as for assets managed externally via mandates.

To this end, Ageas applies the following rules:

- Tobacco production: companies that derive revenues from the production of tobacco products are excluded
- Tobacco-related products and/or services: companies that derive more than 10% of their revenues from the supply of tobacco-related products/services are excluded
- Tobacco retail: companies that derive more than 10% of their revenues from the distribution and/or retail sale of tobacco products are excluded.

Gambling

Because gambling can lead to addiction and create social problems, Ageas excludes the financing of companies that are heavily involved in the gambling sector. Ageas has defined specific thresholds and rules to arrive at an exclusion list that is binding on all portfolio managers, for both its own assets under management as well as for assets managed externally via mandates.

To this end, Ageas applies the following rules:

- Operations: companies that derive more than 10% of their revenues from ownership and operation of a gambling estalishment are excluded
- Specialised equipment: companies that derive more than 10% of their revenues from the manufacture of specialised equipment used exclusively for gambling are excluded
- Supporting products and/or services: companies that derive more than 10% of their revenues from products and/or services related to gambling operations are excluded.

Thermal coal

Because thermal coal poses a serious risk to the environment, climate and society and because investments in this industry could hamper investments in renewable energy sources, Ageas excludes the financing of companies that have a business model based on thermal coal, either via extraction or via electricity generation. Ageas has defined specific thresholds and rules to arrive at an exclusions list that is

binding on all portfolio managers, for both its own assets under management as well as for assets managed externally via mandates.

To this end, Ageas applies the following rules:

- Thermal coal extraction: companies active in thermal coal mining and exploration that derive more than 5% of their revenues from these activities are excluded.
- Supporting products and/or services: companies that derive more than 5% of their revenues from products and/or services related to thermal coal are excluded.
- Thermal coal power generation: companies with an electricity generating capacity based on thermal coal that derive more than 10% of their total revenue from this activity are excluded.

Furthermore, Ageas will not finance, or contribute to build, develop or plan any new thermal coal projects including thermal coal plants, coal mines and related infrastructures. Ageas will phase out all existing investments in coal-fired electricity generation in accordance with 1.5 degrees Celsius pathways by 2030.

Unconventional oil & gas

Because unconventional oil and gas pose serious risks to the environment (a.o. water pollution and carbon emissions), climate and society, Ageas excludes the financing of companies involved in the extraction of unconventional oil and gas such as artic drilling, oil sands and shale oil and gas extraction because of their adverse environmental impacts. Ageas has defined specific thresholds and rules to arrive at an exclusions list that is binding on all portfolio managers, for both its own assets under management as well as for assets managed externally via mandates.

So are excluded companies generating more than 10% of revenues out of the following activities

- Artic drilling: companies active in oil and natural gas extraction in the Artic and/or
- Oil sands: companies active in the extraction of oil sands and/or
- Shale oil and gas: companies active in the extraction of shale oil and/or gas.

Conventional Oil & gas

Ageas excludes financing of direct infrastructure assets for oil & gas where the emissions cannot be aligned with the net-zero ambitions i.e., aligned with a 1.5 degrees Celsius pathway.

Food commodities derivatives

On top of the sectorial exclusions, Ageas does not allow investment transactions in food commodities derivatives. Food commodities includes, a.o., grains, dairy, meat, sugar, fruits and vegetables.

UN Global Compact

Ageas excludes the financing of companies that violate the UN Global Compact (UN GC) principles.

All companies are expected to respect the ten principles of UN GC around human rights, labour rights, environment, and business ethics.

International norms, principles, standards and conventions such as the Organisation for Economic Co-operation and Development Guidelines for Multinational Enterprises (OECD MNE Guidelines), the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the International Labour Organisation (ILO) are used to assess whether a company violates or is at risk of violating one or more UN GC principles.

For its portfolios, funds and products having the Belgian Towards Sustainability label or managed according to the rules of this label, the concerned subsidiaries apply stricter exclusion criteria aligned with the requirements of the Towards Sustainability label.

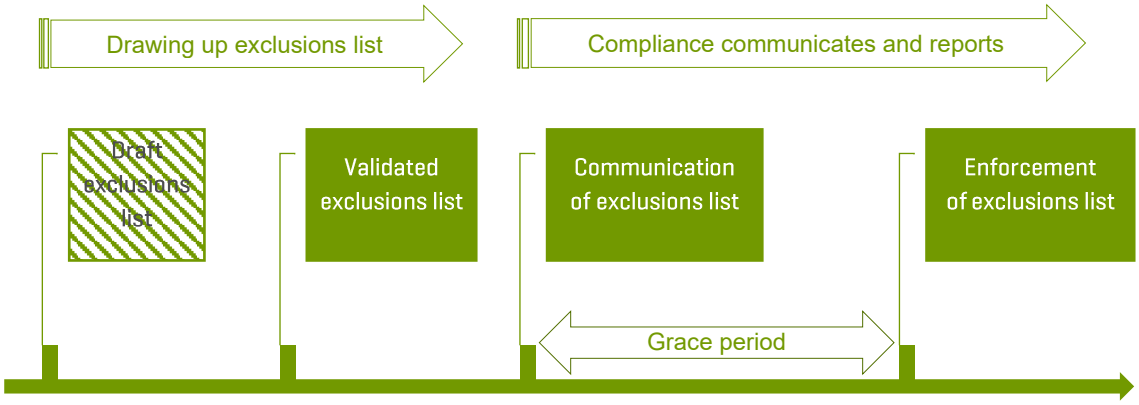
5.2.2 How does the exclusions pillar work in practical terms?

All consolidated entities of the Group must implement Ageas's Sanction policy.

Furthermore, an exclusion list containing the issuers barred from investment consideration for Ageas due to their involvement in controversial sectors such as weapons, tobacco, gambling, thermal coal and unconventional oil & gas, for their non-compliance to the UN Global compact principles is set up by AG that operates as a Centre of Expertise for the Group among other for topics related to sustainable and responsible investments. The exclusion list is validated by AG SRI Monitoring Committee before distribution and implementation by all European consolidated entities. This exclusions list is reviewed at least twice a year.

As soon as the exclusion list has been released, both the internal and external managers that manage Ageas's assets via mandates must comply with the exclusions list once a specific transition period ("grace period") has elapsed.

Given Ageas's policies on Assets & Liabilities Management and on Cash-flow matching, its bond positions managed internally and externally for the General Account are allowed to mature. These positions are grandfathered.



For the exclusion of controversial weapons, Ageas uses the research of a third-party appointed for this purpose.

To conduct ESG screening on non-controversial weapons, tobacco, gambling, thermal coal, unconventional oil & gas, UN Global Compact and countries subject to social violations, Ageas uses ESG data provided by an external provider of ESG data. As of today, it is Sustainalytics.

For the exclusions related to the thermal coal expansion plan, Ageas uses Urgewald Global Coal Exit list.

For the internally managed assets: the exclusions list is implemented locally by each consolidated entities in portfolio management systems. The portfolio managers are prohibited from trading in any financial instruments issued by a company on this list.

For the externally managed assets through mandates: the external managers must comply with the investment guidelines of the mandate. They stipulate, *inter alia*, that it is prohibited to invest in financial instruments of a company on the exclusion list.

For the externally managed assets via third-party funds: Ageas cannot enforce its exclusion list. For this reason, Ageas prioritises asset managers that have signed the UN PRI and have a responsible investment policy in place. Furthermore, in the selection process of its external managers, Ageas performs a due diligence and looks carefully at the exclusion policy implemented by the asset managers to see if it is aligned with Ageas's exclusion philosophy.

5.2.3 How is compliance with the exclusions pillar monitored?

The compliance of the exclusion list is implemented locally. The general principles are the following:

For assets of the General Account managed in-house or entrusted to an external manager via mandate, controls are performed locally. Breaches are resolved as they occur.

For assets of the Unit Linked products managed by external managers via mandates or via third-party funds, controls are performed by the compliance department of these external managers.

5.3 Integration of ESG factors

Ageas aims to enhance its financial analysis and improve risk management through the integration of ESG considerations in all new investment decisions, ensuring a comprehensive approach to responsible and sustainable investment practices.

5.3.1 What is involved in the ESG integration pillar?

In addition to the above-mentioned policy of excluding certain activities, Ageas also has a policy of integrating ESG factors in its investment analysis. The specific rules and process to perform ESG integration are defined and implemented locally.

For the entities where most of the asset are managed internally, portfolio managers mainly use ESG research of Sustainalytics including ESG risk scores and principal adverse impact (PAI) sustainability indicators. When drawing up their integrated financial analysis, portfolio managers may also use other external ESG research and information based on analysts' reports, company presentations and all other publicly available sources of information to form their own judgment and make informed investment decisions. More concrete, portfolio managers identify the most relevant and material ESG risks in their due diligence of an issuer and consider them when making their investment decisions.

Examples of ESG factors used in the ESG risk scores and ESG analysis of companies and projects are:

Environmental	Social	Governance
renewable energy use	respect of human rights	governance practices
pollution and waste	diversity programs	reporting and disclosure
biodiversity	labour relations	prevention of corruption
water use	community relations	executive compensation
carbon emissions	product quality and safety	Regulatory risk or exposure to litigation

An ESG risk analysis is also performed for private or unlisted assets that are not covered by Sustainalytics such as infrastructure loans, based on information collected via internal and/or external ESG due diligence questionnaires.

As part of their ESG analysis, the portfolio managers take also into account information such as the controversies that might impact the long-term value of a company and the commitment and strategies of companies to tackle issues such as climate change, biodiversity loss and non-respect of labour and human rights.

For assets managed externally, either via mandates or via third-party funds (including money market funds, mortgage funds, infrastructure equity funds, private equity funds, direct lending funds, high yield funds, etc.), Ageas privileges asset managers that have signed the UN PRI and/or that have a responsible investment policy that is compatible with Ageas Responsible Investment Framework, including integration of ESG factors.

5.3.2 How does integration of ESG factors work in practical terms?

The ESG integration approach is implemented according to the process defined locally. In Belgium, AG privileges the lowest ESG risk rated companies and adopts a “Comply or Explain policy” for all new internally managed investments.

The ESG risk score of a company calculated by Sustainalytics measures and adds up the unmanaged risks of a company compared to a set of ESG issues that are considered financially material. The ESG risk score of Sustainalytics distinguishes five levels of risk: negligible, low, medium, high, and severe.

In practice, the “Comply or Explain policy” implemented at AG means that if the ESG Risk Score of an issuer is “Negligible”, “Low” or “Medium,” the SRI Monitoring Committee validates the investment. All new investments with an ESG Risk Score “High” or “Severe” or new investments with no ESG Risk Score available can also be validated by an investment committee or SRI Committee but must be documented by the portfolio manager who invests in such company or project. The dedicated ESG analysis covering relevant ESG risks and opportunities of the investment are presented by the portfolio manager during an Investment Committee or an SRI Committee that reviews and validates the investment.

5.3.3 Monitoring of the investments

This ESG integration approach described above is applicable to all assets managed internally. For real estate assets managed by AG Real Estate, more information can be found in the AG Real Estate Sustainable development policy.

ESG scores of the portfolios are monitored on a quarterly basis, but also and in particular, all new investments including those in companies with “high” or “severe” ESG risk score and/or in companies with severe controversies that took place over the last quarter will be formally approved and/or rejected by the Committee. Furthermore, these investments will be reviewed at least on a yearly basis.

For assets managed externally, depending on the local monitoring processes, external managers are also reviewed at least once a year in SRI Monitoring Committee or in Investment Committee.

Furthermore, each local entity has developed specific reports to monitor sustainability indicators and/or the principal adverse sustainability impacts of its investment portfolios. Currently, these reports cover equities, corporate bonds and loans of listed corporate issuers, and government bonds. Where data is available, investments in non-publicly listed companies are also covered. Depending on the operating entity of the Group, this monitoring is carried out by the SRI Monitoring Committee or by the Investment Committee.

5.4 Voting and engagement

As a responsible investor, Ageas strives to guide the activities of the companies in which it invests, towards a more sustainable direction. Ageas engages directly or indirectly with companies and chooses to take responsibility in guiding them towards a more sustainable future by voting and/or engaging with them according to the approach and rules defined locally:

- Direct voting and/or engagement is performed by Ageas portfolio managers
- Indirect voting and/or engagement is performed via external asset managers, collective engagement initiatives or external parties appointed for this purpose

About the engagement, Ageas demands transparency on environmental, social and governance data and incites for more commitment to sustainable objectives. Ageas focuses mainly on climate-related issues in high impact sectors such as the energy and electric utility sectors and in major investments. To tackle these issues, Ageas via AG is an active member or a supporter of several collective engagement initiatives:

- Climate Action100+
- CDP non-disclosure campaign
- Nature Action 100

Ageas engages directly and/or indirectly with oil and gas investee companies to encourage their transition towards sustainable and renewable energy solutions, fostering a shift away from traditional oil and gas activities.

For investments directly held by Ageas, Ageas performs engagement activities via institutional, collective engagement initiatives, via responsible engagement overlay and via direct bilateral engagement.

For investments managed externally via mandates, external managers exercise voting rights in accordance with their own voting policy. The external managers must report to Ageas the exercise of the voting rights. The external managers will also inform Ageas about the engagement performed and the results achieved. The engagement and voting policies implemented at AG's, the Belgian subsidiary of the Group, are available via the following links: engagement policy and voting policy.

Ageas firmly believes that voting and engagement with companies, together with the exclusions of controversial activities and countries and the integration of ESG factors in its investment decision process, allows to mitigate the adverse impacts of its investments on environment and society and to reduce the sustainability risks of its portfolios.

Public advocacy and policy engagement also form an integral part of Ageas's approach as an active and responsible investor enabling it to contribute to market changes beyond investment decisions. This is also in line with our commitment to the Principles for Responsible Investment to be active owners. This includes constructive dialogue with policymakers, regulators, and sector associations to support the development and implementation of sustainable financial policies. Through public consultations, position papers, and sector initiatives, Ageas exercises its stewardship role to promote a regulatory environment aligned with global sustainability objectives.

6. Governance

Ageas's approach to sustainable and responsible investing is fully integrated in Ageas Investment Policy.

With respect to the management of Ageas investment portfolio, dedicated Committees supervise or take care of implementing the UN PRI reflected in Ageas Responsible Investment Framework, to ensure a focused approach on the various specific ESG related matters including climate.

At the level of Ageas, Ageas Investment Committee (AGICO) is led by the Managing Director Reinsurance and Investments, other members being the Group Chief Investment Officer (CIO), the Group Chief Financial Officer (CFO) and the Group Chief Risk Officer (CRO). This monthly committee discusses and takes strategic decisions regarding the asset mix and all related topics and is responsible for the risk management of the investments. The AGICO validates and supervises the publication and the implementation of, among others, Ageas Responsible Investment Framework as it applies at the level of the consolidated operating companies.

On a quarterly basis, SRI topics are presented and discussed in Ageas Investment Forum with investment representatives of all European consolidated entities.

Each consolidated operating company has: (i) dedicated staff responsible for analysing and implementing ESG related topics in the investment portfolio and (ii) dedicated committees to supervise the implementation of the responsible investment framework at local level. The framework incorporates the exclusions list, the integration of ESG criteria and the voting and engagement with companies.

At the level of AG, the Belgian subsidiary of Ageas, representing about 80% of Ageas's assets under management, two dedicated committees (which functions are further described below) oversee the set-up, integration and proper execution of the ESG strategy on investments. AG operates as a centre of expertise for the Group proposing best practices and guidance to the AGICO and advising and supporting extension to other consolidated operating companies via the Ageas Investment Forum or direct contacts with the consolidated entities.

- **AG SRI Steering Committee**

  This Committee is responsible for the continuous monitoring and updating of the sustainable and responsible investing policy, in reference to the evolution of the regulation related to sustainable finance and the market standards.

  This Committee meets quarterly. Its members include the Chief Investment Officer, Head of SRI, Head of Risk, Internal Control & Compliance, Head of Front Office General Account, Head of Front Office Unit Linked, Head of Systems & Information Management, SRI managers and portfolio managers among which ESG specialists.

  This Committee oversees setting up and continuously reviewing the AG Responsible Investment Framework.

  This includes, *inter alia*:
  - the criteria used to draw up the exclusion lists
  - the approach for integrating ESG factors
  - the frameworks applied to the products having the Towards Sustainability Label
  - the strategy related to climate change
  - the engagement and voting policy

- **AG SRI Monitoring Committee**

  This Committee is responsible for the monitoring of all portfolios managed at AG.

  This Committee meets quarterly. Its members include the Chief Investment Officer, Head of SRI, Head of Risk, Internal Control & Compliance, Head of Front Office General Account, Head of Front Office

Unit Linked, Head of Systems & Information Management, SRI managers and portfolio managers among which ESG specialists.

This Committee oversees:

- reviewing and validating all investments
- Validating the exclusions list (sustainable and traditional), which includes, a.o., weapons, tobacco, gambling, thermal coal and unconventional oil and gas extraction (including artic drilling, shale oil and gas and oil sands)
- monitoring the sustainability indicators and the principal adverse sustainability indicators of the funds and products
- reviewing and/or validating engagement and voting decisions

The ESG specialists inform AG Investment Committee about main ESG topics addressed in the SRI Committees.

7. Glossary of terms

- AGICO — Ageas Investment Committee.
- BREEAM — Building Research Establishment Environmental Assessment Method.
- CIO — Chief Investment Office.
- CRREM — Carbon Risk Real Estate Monitor.
- ESG — Environmental, Social and Governance.
- ESG factors: — Environmental, social and governance matters that are integrated in the investment process as further detailed in this framework.
- General Account — Ageas investments other than investments in Unit Linked products.
- NZAOA — Net Zero Asset Owner Alliance.
- PRI — Principles for Responsible Investment.
- SDG — Sustainable Development Goals.
- SRI — Sustainable and Responsible Investing.
- Sustainalytics — Sustainalytics, a Morningstar company, an independent ESG and corporate governance research, ratings and analytics provider.
- UNGC — United Nations Global Compact.
- Urgewald — Urgewald, a non-profit environmental and human rights organisation based in Germany. The Global Coal Exit list database is compiled by Urgewald. This list provides information about companies involved in the coal industry globally.
- Unit Linked — Life insurance investment funds divided into units of ownership (commonly known in Belgium as Branch 23 funds).

Disclaimer:

Disclaimer: Towards Sustainability certification is awarded for a period of two years and is continuously monitored. For Branch 23 structured funds, certification is awarded for the duration of the fund. Towards Sustainability is a quality standard under the supervision of the Central Labelling Agency of the Belgian SRI Label (CLA). To meet this standard, financial products must respond to a number of minimum requirements in relation to sustainability, both at the portfolio level and in the investment process. More information about the quality standard can be found on https://www.towardssustainability.be/the-label/quality-standard.

Earning this certification does not mean that this financial product meets your own sustainability objectives or that the certification fulfils the requirements of future national or EU regulations. You can find more information on this subject at https://www.fsma.be/en/sustainable-finance.