

INFORMATION MEMORANDUM



Belfius Bank SA/NV

As Issuer

**GLOBAL MULTI-CURRENCY SHORT TERM AND MEDIUM TERM
CERTIFICATES OF DEPOSIT PROGRAMME
(DEPOSITOBEWIJZEN /CERTIFICATS DE DEPÔT)
EUR 25,000,000,000**

The Programme is not guaranteed

This Programme has been rated

The Global Multi-Currency Short Term and Medium-Term Certificates Of Deposit Programme has been assigned ratings by Moody's France S.A.S. ("Moody's"), Fitch France S.A.S. ("Fitch") and Standard & Poor's Credit Market Services France S.A.S. (Standard & Poor's). A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the relevant rating agency

Belfius Bank SA/NV

As Arranger, Issuing and Paying Agent and Dealer

DATED: 9 January 2019

Potential investors are invited to read this Information Memorandum, and in particular the Terms and Conditions and the selling restrictions, prior to investing.

IMPORTANT NOTICE

This Information Memorandum (together with any supplementary information memorandum and information incorporated herein by reference, the “**Information Memorandum**”) contains summary information provided by Belfius Bank SA/NV (the “**Issuer**”) in connection with a global multi-currency short term and medium term certificates of deposit programme (the “**Programme**”) under which the Issuer may issue and have outstanding at any time global multi-currency short and medium term certificates of deposits (indistinctively the “**Certificates**” or the “**Certificates of Deposit**”) up to a maximum aggregate amount of EUR 25,000,000,000 or its equivalent in other currencies.

In accordance with the Short Term European Paper (“**STEP**”) initiative, this Programme will be submitted to the STEP Secretariat in order to apply for the STEP label for the Certificates of Deposits identified as Certificates of Deposits A described from 1.7 a to 1.28 a of this Information Memorandum. The status of STEP compliance of this Programme, in relation to the Certificates of Deposits A, can be determined from, and this Information Memorandum will be made available on, the STEP market website www.stepmarket.org. The Issuer does not accept any responsibility for the information on the website www.stepmarket.org other than for this Information Memorandum and the other information submitted by the Issuer to the STEP Secretariat in connection with the Programme.

The Issuer has confirmed to the Arranger and the Dealer(s) that the information contained or incorporated by reference in this Information Memorandum is true and accurate in all material respects and not misleading and that there are no other facts the omission of which makes this Information Memorandum as a whole or any information contained or incorporated by reference herein misleading.

Each investor considering an investment under the Programme shall be deemed to have made its own independent investigation into the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer and thus, making its decision to invest, shall not rely, and shall be deemed not to have relied upon any information or advice whatsoever, regarding the Issuer, provided by the Dealer and/or the Domiciliary Agent.

No person is authorised by the Issuer, the Arranger or the Dealer(s) to give any information or to make any representation not contained in this Information Memorandum and any information or representation not contained at any time herein must not be relied upon as having been authorised.

No representation or warranty or undertaking, whether express or implied, is made and no responsibility or liability is accepted about the authenticity, origin validity, accuracy or completeness of, or any errors in or omissions from, any information or statement contained in the Information Memorandum or in or from any accompanying or subsequent agreement, document, material or presentation.

The information contained in the Information Memorandum is not and should not be construed as a recommendation by the Arranger, the Dealer(s) or the Issuer that any recipient should purchase Certificates of Deposit. Neither the Arranger nor any Dealer undertakes to review the business or financial condition or affairs of the Issuer during the life of the Programme, nor undertakes to advise any recipient of the Information Memorandum or change in such information coming to the Arranger’s or Dealers’ attention.

Where an additional Dealer is appointed, next to Belfius Bank or in replacement of it, that additional Dealer does not endorse any liability in relation to this Information Memorandum or its distribution by any other person. This Information Memorandum does not, and is not intended to, constitute an offer, invitation or solicitation to any person to purchase Certificates of Deposit.

The Domiciliary Agent will, in connection with its appointment or under the Certificates of Deposit, act solely for and upon the instructions of the Issuer and the Dealer(s) and will incur no liability for or in respect of any action (not) taken by it pursuant to the Law and/or the Royal Decree, nor will they have any obligations towards, or a relationship of agency or trust with any of the holders or beneficial owners of or interests in, Certificates of Deposit.

The distribution of this Information Memorandum and the offering for sale of Certificates of Deposit or any interest in such Certificates of Deposit may be restricted by law. Persons obtaining this Information Memorandum or any Certificate of Deposit or any interest in such Certificate of Deposit or any rights in respect of such Certificates are required by the Issuer, the Arranger and the Dealer(s) to inform themselves about and to observe any such restrictions. In particular but without limitation, such persons are required to comply with the restrictions on offers or sales of Certificates of Deposit and on distribution of this Information Memorandum and other information relating to the Certificates of Deposit and the Issuer set out under the chapter "Selling Restrictions".

Where a reference is made to ratings, it should be noted that a rating is not a recommendation to buy, sell or hold securities and that a rating may be subject to suspension, reduction or withdrawal at any time by the relevant rating agency.

THE CERTIFICATES OF DEPOSIT HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED AND, SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S).

A communication of an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSM Act**")) received in connection with the issue or sale of any Certificate of Deposit will only be made in circumstances in which Section 21(1) of the FSM Act does not apply to the Issuer.

MIFID II product governance / target market – The Issuer will before Trade Date and where applicable outline the target market assessment in respect of the Certificates and which channels for distribution of the Certificates are appropriate. Any person subsequently offering, selling or recommending the Certificates (a "distributor") should take into consideration the target market assessment. A distributor subject to MiFID II is, however, responsible for undertaking its own target market assessment in respect of the Certificates (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593 (the "MiFID Product Governance Rules"), any Dealer subscribing for any Certificates is a manufacturer in respect of such Certificates, but otherwise neither the Arranger nor the Dealers nor any of their respective affiliates will be a manufacturer for the purpose of the MIFID Product Governance Rules.

Benchmark Regulation – Amounts payable under the Certificates may be calculated by reference to certain reference rates. Any such reference rate may –but will not necessary- constitute a benchmark for the purposes of Regulation (EU) 2016/1011 (the "Benchmark Regulation"). As from 1st January 2020, the benchmarks used as reference rates for the calculation of the amounts payable under the Certificates will be provided by an administrator included in the register of administrators and benchmarks established and maintained by the European Securities and Markets Authority (ESMA) pursuant to Article 36 of the Benchmark Regulation.

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RISK FACTORS

An investment in the Certificates involves a degree of risk. Prospective investors should carefully consider the risks set forth below and the other information contained in this Information Memorandum (including information incorporated by reference) before making any investment decision in respect of the Certificates. The risks described below are risks which the Issuer believes may have a material adverse effect on the Issuer's financial condition and the results of its operations, the value of the Certificates or the Issuer's ability to fulfil its obligations under the Certificates. All of these factors are contingencies which may or may not occur and the Issuer is not in a position to express a view on the likelihood of all or any of such contingencies occurring. Additional risk and uncertainties, including those of which the Issuer is not currently aware or deems immaterial, may also potentially have an adverse effect on the Issuer's business, results of operations, financial condition or future prospectus or may result in other events that could cause investors to lose all or part of their investment.

Factors which the Issuer believes may be material for the purpose of assessing the market risks associated with the Certificates issued under the Programme are also described below.

The Issuer believes that the factors described below represent the principal known risks inherent in investing in Certificates issued under the Programme, but the inability of the Issuer to pay interest, principal or other amounts on or in connection with any Certificates may occur for other reasons which are not known to the Issuer or which the Issuer deems immaterial at this time. Prospective investors should also read the detailed information set out elsewhere in this Information Memorandum (including any documents deemed to be incorporated in it by reference) and reach their own views prior to making any investment decision.

Capitalised terms used herein and not otherwise defined shall bear the meaning ascribed to them in the "Terms and Conditions of the Certificates" below.

1. Risks related to the business of banks in general, including Belfius Bank

A substantial part of Belfius Bank's assets are encumbered

Like every credit institution, a non-negligible part of the Issuer's assets are collateralised (by means of an outright pledge, repo transaction or otherwise). The amount of assets pledged is linked to the funding granted by external parties who demand collateral to mitigate the potential risk on the Issuer.

Belfius Bank established in November 2012 a Belgian Mortgage Pandbrieven Programme and in October 2014 a Belgian Public Pandbrieven Programme. Both programmes are licensed by the NBB and each can issue Belgian pandbrieven for a maximum amount of EUR 10,000,000,000. In accordance with the law of 3 August 2012 establishing a legal regime for Belgian covered bonds, the investors of pandbrieven benefit from a dual recourse, being an unsecured claim against the general estate of Belfius Bank and an exclusive claim against the relevant special estate of Belfius Bank: one special estate for the mortgage pandbrieven and another special estate for the public pandbrieven. With respect to the assets of the general estate of Belfius Bank, the holders of Certificates, as unsecured and unsubordinated creditors of Belfius Bank, will rank *pari passu* with the investors of pandbrieven and any other unsecured and unsubordinated creditors of Belfius Bank. However, the holders of Certificates may not exercise any rights against or attach any assets of the special estates as they are reserved for the holders of pandbrieven. A credit institution cannot issue any further

Belgian covered bonds if the amount of cover assets exceeds 8 per cent. of the issuing credit institution's total assets.

The special estate in relation to the Belgian Mortgage Pandbrieven Programme is mainly composed of residential mortgage loans and the special estate in relation to the Belgian Public Pandbrieven Programme is mainly composed of loans to Belgian public sector entities. The value of the assets, contained in the relevant special estate, needs to be in proportion with the nominal amount of issued pandbrieven under such programme (in accordance with applicable law and issue conditions). Only pandbrieven investors and other creditors, which can be identified based on the pandbrieven issue conditions, have a claim on the relevant special estate.

Finally, it should be noted that the Belgian Banking Law introduced (i) a general lien on movable assets (*algemeen voorrecht op roerende goederen/privilège général sur biens meubles*) for the benefit of the deposit guarantee fund (*garantiefonds voor financiële diensten/fonds de garantie pour les services financiers*) as well as (ii) a general lien on moveable assets for the benefit of natural persons and SMEs for deposits exceeding EUR 100,000. These general liens entered into force on 3 March 2015. Such general liens could have an impact on the recourse that any holder of Certificates would have on the general estate of Belfius Bank in the case of an insolvency as the claims which benefit from such general liens will rank (i) *pari passu* with the claims of the holders of Certificates and (ii) ahead of the claims of the holders of Subordinated Certificates of Deposit.

2. Risks related to the Certificates of Deposit

2.1. Holders of Subordinated Certificates of Deposit will be required to absorb losses in the event the Issuer becomes non-viable or if the conditions for the exercise of resolution powers are met

Holders of Subordinated Certificates of Deposit will lose some or all of their investment as a result of a statutory write-down or conversion of the Subordinated Certificates of Deposit if the Issuer or group fails or is likely to fail, becomes non-viable, requires extraordinary public support or if otherwise the conditions for the exercise of resolution powers are met.

Under the Belgian Banking Law, the Resolution Authority may decide to write-down the Subordinated Certificates of Deposit or to convert the Subordinated Certificates of Deposit into common equity tier 1 capital of the Issuer if one or more of the following circumstances apply:

- A-** the Resolution Authority determines that Belfius Bank meets the conditions for resolution specified in Article 244, §1 of the Belgian Banking Law; i.e., if the Resolution Authority considers that all of the following conditions are met:
 - (i) the determination that Belfius Bank is failing or is likely to fail has been made by the Lead Regulator or the Resolution Authority (in each case, after consulting each other), which means that one or more of the following circumstances are present:
 - a) Belfius Bank infringes or there are objective elements to support a determination that Belfius Bank will, in the near future, infringe the requirements for continuing authorisation in a way that would justify the withdrawal of the authorisation by the competent authority, including but not limited to because Belfius Bank has incurred or is likely to incur losses that will deplete all or a significant amount of its own funds;
 - b) the assets of Belfius Bank are or there are objective elements to support a determination that the assets of Belfius Bank will, in the near future, be less than its liabilities;

- c) Belfius Bank is or there are objective elements to support a determination that Belfius Bank will, in the near future, be unable to pay its debts or other liabilities as they fall due;
 - d) Belfius Bank requests extraordinary public financial support.
- (ii) having regard to timing and other relevant circumstances, there is no reasonable prospect that any alternative private sector measures or supervisory action taken in respect of Belfius Bank would prevent its failure within a reasonable timeframe; and
- (iii) a resolution action is necessary in the public interest. A resolution action will be deemed necessary in the public interest if it is necessary to meet one or more objectives referred to in Article 243, §1 of the Belgian Banking Law and a liquidation of the credit institution would not allow such objectives to be met in the same measure, in which case the Resolution Authority shall, in any event, exercise its write-down and conversion powers before taking any resolution action (including the use of the bail-in tool);
- B-** the Resolution Authority determines that unless the write-down or conversion power is exercised in relation to the Subordinated Certificates of Deposit, Belfius Bank or its group will no longer be viable; or
- C-** Belfius Bank requests extraordinary public financial support.

The purpose of the statutory write-down and conversion powers is to ensure that the Tier 1 and Tier 2 capital instruments of the Issuer (including the Subordinated Certificates of Deposit) fully absorb losses if one or more of the above circumstances apply and before any resolution action (including the use of the bail-in tool) is taken.

The exercise by the Resolution Authority of its write down or conversion powers in relation to the Subordinated Certificates of Deposit, or the (perceived) prospect of such exercise, could have a material adverse effect on the value of the Subordinated Certificates of Deposit and could lead to the holders of Subordinated Notes losing some or all of their investment in the Subordinated Certificates of Deposit.

2.2. Bail-in of senior debt and other eligible liabilities, including the Certificates of Deposit

Given the entry into force of the bail-in regime, holders of Certificates of Deposit may lose some or all of their investment (including outstanding principal and accrued but unpaid interest) as a result of the exercise by the Resolution Authority of the “bail-in” resolution tool.

Following the transposition of the BRRD bail-in regime into Belgian law as of 1 January 2016, the Resolution Authority has the power to bail-in (i.e. write down or convert) more senior subordinated debt, if any, and senior debt, after having written down or converted Tier 1 capital instruments and Tier 2 capital instruments (such as the Subordinated Certificates of Deposit). The bail-in power enables the Resolution Authority to recapitalise a failed institution by allocating losses to its shareholders and unsecured creditors (including holders of Certificates of Deposit) in a manner which is consistent with the hierarchy of claims in an insolvency of a relevant financial institution. The bail-in power includes the power to cancel a liability or modify the terms of contracts for the purposes of deferring the liabilities of the relevant financial institution and the power to convert a liability from one form to another.

In summary (and subject to the implementing rules), the Resolution Authority is able to exercise its bail-in powers if the following (cumulative) conditions are met:

- A-** the determination that Belfius Bank is failing or is likely to fail has been made by the relevant regulator, which means that one or more of the following circumstances are present:

- (i) Belfius Bank infringes or there are objective elements to support a determination that Belfius Bank will, in the near future, infringe the requirements for continuing authorisation in a way that would justify the withdrawal of the authorisation by the competent authority, including but not limited to because Belfius Bank has incurred or is likely to incur losses that will deplete all or a significant amount of its own funds;
 - (ii) the assets of Belfius Bank are or there are objective elements to support a determination that the assets of Belfius Bank will, in the near future, be less than its liabilities;
 - (iii) Belfius Bank is or there are objective elements to support a determination that Belfius Bank will, in the near future, be unable to pay its debts or other liabilities as they fall due;
 - (iv) Belfius Bank requests extraordinary public financial support,
- B-** having regard to timing and other relevant circumstances, there is no reasonable prospect that any alternative private sector measures or supervisory action taken in respect of Belfius Bank would prevent the failure of Belfius Bank within a reasonable timeframe; and
- C-** a resolution action is necessary in the public interest.

The BRRD specifies that governments will only be entitled to use public money to rescue credit institutions if a minimum of 8% of the own funds and total liabilities have been written down, converted or bailed in or, by way of derogation, if the contribution to loss absorption and recapitalisation is equal to an amount not less than 20% of risk-weighted assets and certain additional conditions are met.

The exercise by the Resolution Authority of its bail-in powers in relation to the Certificates, or the (perceived) prospect of such exercise, could have a material adverse effect on the value of the Certificates and could lead to the holders of Certificates losing some or all of their investment.

2.3. There are no events of default (other than in the event of a dissolution or liquidation of the Issuer) allowing acceleration of the Certificates B and C if certain events occur

The Terms and Conditions of the Notes in relation to the Subordinated Certificates of Deposit do not provide for events of default allowing acceleration of the Subordinated Certificates of Deposit if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Subordinated Certificates of Deposit, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to holders of Subordinated Certificates of Deposit for recovery of amounts owing in respect of any payment of principal or interest on the Subordinated Certificates of Deposit will be the institution of proceedings for the dissolution or liquidation of the Issuer in Belgium.

2.4. The Notes may be redeemed prior to maturity in certain circumstances Subject to certain conditions being met, the Notes may be redeemed prior to their maturity date, in whole but not in part, at the option of the Issuer, upon the occurrence of a Tax Event, a Capital Disqualification Event (as defined below) or a MREL/TLAC Disqualification Event (as defined below).

DOCUMENTS INCORPORATED BY REFERENCE

The two most recently published annual reports of the Issuer shall be deemed to be incorporated in, and to form a part of, this Information Memorandum. Upon the STEP label being granted to the Programme, the annual reports will also be available on the website of the STEP Market (www.stepmarket.org).

Any statement contained in a document incorporated by reference into this Information Memorandum shall be deemed to be modified or superseded to the extent that a statement contained in any subsequent document which also is incorporated by reference into this Information Memorandum modifies or supersedes such statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Information Memorandum.

Except as provided above, no other information, including information on the websites of the Issuer is incorporated by reference into this Information Memorandum.

Each Dealer will, following receipt of such documentation from the Issuer, provide to each person to whom a copy of this Information Memorandum has been delivered, upon request of such person, a copy of any or all the documents incorporated herein by reference unless such documents have been modified or superseded as specified above. Written requests for such documents should be directed to the relevant Dealer at its office as set out at the end of this Information Memorandum.

DESCRIPTION OF THE PROGRAMME

1.1. Name of the programme	Belfius Bank SA/NV Global Multi-Currency Short and Medium Term Certificates of Deposit Programme
1.2. Type of programme	Global Multi-Currency Short and Medium Term Certificates of Deposit Programme
1.2.1. Certificates A	Short term Certificates: minimum 1 day and maximum up to 1 year. (STEP COMPLIANT)
1.2.2. Certificates B	Medium term Certificates: (unsubordinated debt) : minimum 1 year and 1 day (NON-STEP COMPLIANT)
1.2.3. Certificates C	Medium term Certificates: (subordinated debt): minimum 5 years. (NON-STEP COMPLIANT)
1.3. Name of the issuer	Belfius Bank SA/NV
1.4. Type of issuer	Monetary financial institution
1.5. Purpose of the programme	General corporate purposes
1.6. Programme size	The Outstanding Amount of the Certificates will not exceed EUR 25,000,000,000 (or its equivalent in other currencies) at any time.

1.7 a to 1.28 a INFORMATION on the Certificates of type A (STEP-COMPLIANT):	
1.7 a Characteristics and form of the Certificates	Dematerialised Certificates of Deposit (<i>gedematerialiseerde depositobewijzen/certificats de dépôt dématérialisés</i>)
1.8 a Yield Basis	Unless otherwise specified at issue, Certificates of Deposits may be issued at a discount basis or may bear fixed or floating rate interest.
1.9 a Currencies of issue of the Certificates	Multi-currency. Certificates of Deposit may be denominated in any of the currencies of an O.E.C.D. member state. Euro herein referred to as “ EUR ” and any of the currencies of an O.E.C.D. member state save EUR herein referred to as a “ Foreign Currency ”.
1.10 a Maturity of the Certificates of Deposits	Minimum 1 day; maximum 1 year.
1.11 a Minimum Issuance Amount	Issuance with a minimum of EUR 250,000 per Certificate (or its approximate equivalent - but never below the counter value of EUR 250,000 - in any Foreign Currency at the time of issuance or such other minimum as the applicable regulations may in the future define).
1.12 a Minimum denomination of the Certificates of Deposits	The denominations have to comply with all legal and regulatory requirements. As at the date hereof, the minimum denominations amount to multiples of EUR 1,000 with a minimum of EUR 250,000 per Certificate. For issues in a Foreign Currency, minimum denominations amount to multiples of 1,000 in the Specified Currency with a minimum of an equivalent value of EUR 250,000 per Certificate in the Specified Currency.
1.13 a Status of the Certificates of Deposits	The Certificates A constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank and will rank at all times <i>pari passu</i> amongst themselves and equally with all other present and future unsecured and unsubordinated indebtedness of the Issuer which will fall or be expressed to fall within the category of obligations described in article 389/1, 1° of the Belgian Banking Law, but, in the event of insolvency, only to the extent permitted by laws relating to creditors’ rights.
1.14 a Governing law that applies to the Certificates of Deposits	The Certificates of Deposits shall be governed by and construed in accordance with the laws of the Kingdom of Belgium and will be subject to the jurisdiction of the courts of Brussels, Belgium.
1.15 a Listing	The Certificates of Deposits under this Programme will not be listed on any market, regulated or non-regulated.
1.16 a Settlement system	The Certificates of Deposit will be cleared and settled through the securities settlement system operated by the National Bank of Belgium. Delivery is also possible through other clearing systems. A list of CSD’s having an investor link with NBB-SSS is available at following internet address: https://www.nbb.be/nl/list-nbb-investor-icsds
1.17 a Rating(s) of the Programme	The programme has been assigned ratings by Fitch , Moody’s and Standard & Poor’s (see below).

1.18 a Guarantor(s)	Not guaranteed
1.19 a Issuing and paying agent(s)	Belfius Bank SA/NV (the " Domiciliary Agent ").
1.20 a Arranger	Belfius Bank SA/NV
1.21 a Dealer(s)	Belfius Bank SA/NV Belfius Bank SA/NV as Issuer may appoint additional Dealers.
1.22 a Selling restrictions	Offers and sales of Certificates and the distribution of this Information Memorandum and other information relating to the Issuer and the Certificates are subject to certain restrictions, details which are set out under the chapter "Selling Restrictions" below.
1.23 a Taxation	Persons or institutions defined in Article 4 of the Royal Decree of 26 May 1994 as amended, are entitled to open a securities account in the Clearing System (or with a Custodian) on which no Belgian withholding tax is due or will be levied (a so-called " X-Account "). Persons or institutions that are not defined in Article 4 of the Royal Decree of 26 May 1994 as amended, will have to open a securities account in the Clearing System (or with a Custodian) on which a Belgian withholding tax is due and will be levied (a so-called " N-Account "). A grossing up clause applies for holders of Certificates of Deposit held on an X-account.
1.24 a Involvement of national authorities	The National Bank of Belgium is involved as operator of the Clearing System.
1.25 a Contact details	Address: Place Charles Rogier 11, 1210 Brussels, Belgium Telephone: +32 2 222 11 11 + 32 2 250 70 76 e-mail: SALES.INSTITUTIONAL@belfius.be ebelfiusban@bloomberg.net stir@belfius.be
1.26 a Additional information on the programme	Unless otherwise specified at issue, the net proceeds of the issue of the Certificates will be used by Belfius Bank for its general corporate purposes
1.27 an Independent auditors of the issuer, who have audited the accounts of the issuer's annual report	Deloitte Bedrijfsrevisoren SC s.f.d. SCRL Luchthaven Nationaal 1J 1930 Zaventem Belgium
1.28.a Potential eligibility	The Short-Term European Paper (STEP) market has been accepted as a

of Certificates for collateral purposes in credit operations of the central banking system for the euro (the " Eurosystem "):	non-regulated market for collateral purposes in credit operations of the central banking system for the euro (the " Eurosystem ") from 2 April 2007. In order to be eligible as collateral for Eurosystem operations, Certificates issued under STEP-compliant programmes will also have to comply with all the eligibility criteria listed in Part Four of the "GUIDELINE (EU) 2015/510 OF THE EUROPEAN CENTRAL BANK of 19 December 2014 on the implementation of the Eurosystem monetary policy framework (ECB/2014/60)".
1.7 b to 1.28 b INFORMATION on the Certificates of type B (NON STEP-COMPLIANT):	
1.7 b Characteristics and form of the Certificates	Dematerialised Certificates of Deposit (<i>gedematerialiseerde depositobewijzen/ certificats de dépôt dématérialisés</i>)
1.8 b Yield Basis	Floating rate, fixed rate or zero-coupon.
1.9 b Currencies of issue of the Certificates	Multi-currency. Certificates of Deposit may be denominated in any of the currencies of an O.E.C.D. member state. Euro herein referred to as " EUR " and any of the currencies of an O.E.C.D. member state save EUR herein referred to as a " Foreign Currency ".
1.10 b Maturity of the Certificates of Deposits	Minimum 1 year and 1 day
1.11 b Minimum Issuance Amount	Issuance with a minimum of EUR 250,000 per Certificate (or its approximate equivalent - but never below the counter value of EUR 250,000 – in any Foreign Currency at the time of issuance or such other minimum as the applicable regulations may in the future define).
1.12 b Minimum denomination of the Certificates of Deposits	The denominations have to comply with all legal and regulatory requirements. As at the date hereof, the minimum denominations amount to multiples of EUR 1,000 with a minimum of EUR 250,000 per Certificate. For issues in a Foreign Currency, minimum denominations amount to multiples of 1,000 in the Specified Currency with a minimum of an equivalent value of EUR 250,000 per Certificate in the Specified Currency.
1.13 b Status of the Certificates of Deposits	The Certificates B constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and rank and will rank at all times <i>pari passu</i> amongst themselves and equally with all other present and future unsecured and unsubordinated indebtedness of the Issuer which will fall or be expressed to fall within the category of obligations described in article 389/1, 1° of the Belgian Banking Law, but, in the event of insolvency, only to the extent permitted by laws relating to creditors' rights. There are no events of default (other than in the event of a dissolution or liquidation of the Issuer) allowing acceleration of the Certificates B if certain events occur. Accordingly, if the Issuer fails to meet any obligations under such Certificates of Deposit, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to holders of Certificates B for recovery of amounts owing in respect of

	any payment of principal or interest on the Certificates B will be the institution of proceedings for the dissolution or liquidation of the Issuer in Belgium.
1.14 b Governing law that applies to the Certificates of Deposits	The Certificates of Deposits shall be governed by and construed in accordance with the laws of the Kingdom of Belgium and will be subject to the jurisdiction of the Courts of Brussels, Belgium.
1.15 b Listing	The Certificates of Deposits under this Programme will not be listed on any market, regulated or non-regulated.
1.16 b Settlement system	The Certificates of Deposit will be cleared and settled through the securities settlement system operated by the National Bank of Belgium. Delivery is also possible through other clearing systems. A list of CSD's having an investor link with NBB-SSS is available at following internet address: https://www.nbb.be/nl/list-nbb-investor-icsds
1.17 b Rating(s) of the Programme	The programme has been assigned ratings by Fitch , Moody's and Standard & Poor's (see below).
1.18 b Guarantor(s)	Not guaranteed
1.19 b Issuing and paying agent(s)	Belfius Bank SA/NV (the " Domiciliary Agent ").
1.20 b Arranger	Belfius Bank SA/NV
1.21 b Dealer(s)	Belfius Bank SA/NV Belfius Bank SA/NV as Issuer may appoint additional Dealers.
1.22 b Selling restrictions	Offers and sales of Certificates and the distribution of this Information Memorandum and other information relating to the Issuer and the Certificates are subject to certain restrictions, details which are set out under the chapter "Selling Restrictions" below.
1.23 b Taxation	Persons or institutions defined in Article 4 of the Royal Decree of 26 May 1994 as amended, are entitled to open a securities account in the Clearing System (or with a Custodian) on which no Belgian withholding tax is due or will be levied (a so-called " X-Account "). Persons or institutions that are not defined in Article 4 of the Royal Decree of 26 May 1994 as amended, will have to open a securities account in the Clearing System (or with a Custodian) on which a Belgian withholding tax is due and will be levied (a so-called " N-Account "). A grossing up clause applies for holders of Certificates of Deposit held on an X-account.
1.24 b Involvement of national authorities	The National Bank of Belgium is involved as operator of the Clearing System.
1.25 b Contact details	Address: Place Charles Rogier 11, 1210 Brussels, Belgium Telephone: +32 2 222 11 11 e-mail:

	SALES.INSTITUTIONAL@belfius.be and ebelfiusban@bloomberg.net
1.26 b Additional information on the programme	Unless otherwise specified at issue, the net proceeds of the issue of the Certificates will be used by Belfius Bank for its general corporate purposes
1.27 b Independent auditors of the issuer, who have audited the accounts of the issuer's annual report	Deloitte Bedrijfsrevisoren SC s.f.d. SCRL Luchthaven Nationaal 1J 1930 Zaventem Belgium
1.28.b Potential eligibility of Certificates for collateral purposes in credit operations of the central banking system for the euro (the " Eurosystem "):	In order to be eligible for collateral purposes in credit operations of the central banking system for the euro, Certificates issued will have to comply with all the eligibility criteria listed in Chapter 6 of "The implementation of monetary policy in the euro area: General documentation on Eurosystem monetary policy instruments and procedures".

1.7 c to 1.28 c INFORMATION on the Certificates of type C (NON STEP-COMPLIANT):	
1.7 c Characteristics and form of the Certificates	Dematerialised Subordinated Certificates of Deposit (<i>gedematerialiseerde depositobewijzen/certificats de dépôt dématérialisés</i>)
1.8 c Yield Basis	Floating rate, fixed rate or zero-coupon.
1.9 c Currencies of issue of the Certificates	Multi-currency. Certificates of Deposit may be denominated in any of the currencies of an O.E.C.D. member state. Euro herein referred to as " EUR " and any of the currencies of an O.E.C.D. member state save EUR herein referred to as a " Foreign Currency ".
1.10 c Maturity of the Certificates of Deposits	Minimum 5 years
1.11 c Minimum Issuance Amount	Issuance with a minimum of EUR 250,000 per Certificate (or its approximate equivalent - but never below the counter value of EUR 250,000 - in any Foreign Currency at the time of issuance or such other minimum as the applicable regulations may in the future define)
1.12 c Minimum denomination of the Certificates of Deposits	The denominations have to comply with all legal and regulatory requirements. As at the date hereof, the minimum denominations amount to multiples of EUR 1,000 with a minimum of EUR 250,000 per Certificate. For issues in a Foreign Currency, minimum denominations amount to multiples of 1,000 in the Specified Currency with a minimum of an equivalent value of EUR 250,000 per Certificate in the Specified Currency.
1.13 c Status of the Certificates of Deposits	The Certificates C in respect of which the status is specified hereon as " Subordinated " (" Subordinated Certificates of Deposit ") and the receipts and coupons relating to them constitute direct, unconditional, unsecured and subordinated obligations of the Issuer and shall at all

times rank *pari passu* and without any preference among themselves.

In the event of dissolution or liquidation of the Issuer (including the following events creating a competition between creditors (“*samenloop van schuldeisers/concours de créanciers*”): bankruptcy (“*faillissement/faillite*”), judicial liquidation (“*gerechtelijke vereffening/liquidation forcée*”) or voluntary liquidation (“*vrijwillige vereffening/liquidation volontaire*”) (other than a voluntary liquidation in connection with a reconstruction, merger or amalgamation where the continuing corporation assumes all the liabilities of the Issuer)), the rights and claims of the holders of Subordinated Certificates of Deposit against the Issuer shall be for an amount equal to the principal amount of each Subordinated Certificate of Deposit together with any amounts attributable to such Subordinated Certificate of Deposit and shall rank:

- (A) subject to any obligations which are mandatorily preferred by law, junior to the claims of (1) depositors and all other unsubordinated creditors and (2) all Eligible Creditors of the Issuer;
- (B) *pari passu* without any preference among themselves and *pari passu* with any other obligations or instruments of the Issuer that rank or are expressed to rank equally with the Subordinated Certificates of Deposit; and
- (C) senior and in priority to (1) the claims of holders of all classes of share or other equity capital (including preference shares) of the Issuer, (2) the claims of holders of all obligations or instruments of the Issuer which, upon issue, constitute or constituted Tier 1 capital of the Issuer, and (3) the claims of holders of any other obligations or instruments of the Issuer that rank or are expressed to rank junior to the Subordinated Certificates of Deposit.

“**Eligible Creditors**” means creditors holding claims that, in accordance with their terms, rank or are expressed to rank senior to the Subordinated Certificates of Deposit and Junior to Certificates A and B and other preferred senior obligations as described in article 389/1, 1° of the Belgian Banking Law.

There are no events of default (other than in the event of a dissolution or liquidation of the Issuer) allowing acceleration of the Subordinated Certificates of Deposit if certain events occur. Accordingly, if the Issuer

	fails to meet any obligations under the Subordinated Certificates of Deposit, including the payment of any interest, investors will not have the right of acceleration of principal. Upon a payment default, the sole remedy available to holders of Subordinated Certificates of Deposit for recovery of amounts owing in respect of any payment of principal or interest on the Subordinated Certificates of Deposit will be the institution of proceedings for the dissolution or liquidation of the Issuer in Belgium.
1.14 c Governing law that applies to the Certificates of Deposits	The Certificates of Deposits shall be governed by and construed in accordance with the laws of the Kingdom of Belgium and will be subject to the jurisdiction of the Courts of Brussels, Belgium.
1.15 c Listing	The Certificates of Deposits under this Programme will not be listed on any market, regulated or non-regulated.
1.16 c Settlement system	The Certificates of Deposit will be cleared and settled through the securities settlement system operated by the National Bank of Belgium. Delivery is also possible through other clearing systems. A list of CSD's having an investor link with NBB-SSS is available at following internet address: https://www.nbb.be/nl/list-nbb-investor-icsds
1.17 c Rating(s) of the Programme	The above referenced program has been assigned ratings by Fitch, Moody's and Standard & Poor's (see below).
1.18 c Guarantor(s)	Not guaranteed
1.19 c Issuing and paying agent(s)	Belfius Bank SA/NV (the " Domiciliary Agent ").
1.20 c Arranger	Belfius Bank SA/NV
1.21 c Dealer(s)	Belfius Bank SA/NV Belfius Bank SA/NV as Issuer may appoint additional Dealers.
1.22 c Selling restrictions	Offers and sales of Certificates and the distribution of this Information Memorandum and other information relating to the Issuer and the Certificates are subject to certain restrictions, details which are set out under the chapter "Selling Restrictions" below.
1.23 c Taxation	Persons or institutions defined in Article 4 of the Royal Decree of 26 May 1994 as amended, are entitled to open a securities account in the Clearing System (or with a Custodian) on which no Belgian withholding tax is due or will be levied (a so-called " X-Account "). Persons or institutions that are not defined in Article 4 of the Royal Decree of 26 May 1994 as amended, will have to open a securities account in the Clearing System (or with a Custodian) on which a Belgian withholding tax is due and will be levied (a so-called " N-Account "). A grossing up clause applies for holders of Certificates of Deposit held on an X-account.
1.24 c Involvement of national authorities	The National Bank of Belgium is involved as operator of the Clearing System.
1.25 c Contact details	Address:

	Place Charles Rogier 11, 1210 Brussels, Belgium
1.26 c Additional information on the programme	Unless otherwise specified at issue, the net proceeds of the issue of the Certificates will be used by Belfius Bank for its general corporate purposes
1.27 c Independent auditors of the issuer, who have audited the accounts of the issuer's annual report	Deloitte Bedrijfsrevisoren SC s.f.d. SCRL Luchthaven Nationaal 1J 1930 Zaventem Belgium
1.28.c Potential eligibility of Certificates for collateral purposes in credit operations of the central banking system for the euro (the " Eurosystem "):	Not Applicable.

DESCRIPTION OF THE ISSUER

2.1 Legal name	Belfius Bank
2.2 Legal form and status	Public limited liability company (<i>naamloze vennootschap (NV)/société anonyme (SA)</i>) of unlimited duration incorporated under the Belgian law on 23 October 1962.
2.3 Date of establishment	23 October 1962
2.4 Registered office and place of registration	<p>By decision of the Board of Directors of 22 March 2018, the registered office of Belfius Bank has been transferred on 28 May 2018 to</p> <p>Place Charles Rogier 11, , 1210 Brussels, Belgium</p> <p>Telephone +32 22 22 11 11.</p> <p>Belfius Bank SA/NV is registered with the Crossroads Bank for Enterprises under number 0403.201.185 (RLE Brussels). The Articles of Association of Belfius Bank SA/NV were last amended by notarial deed on 23 December 2013. Belfius Bank1ndLEI code is A5GWLFH3KM7YV2SFQL84.</p>
2.5 Issuer's mission	<p>Belfius is first and foremost a locally embedded independent banking and insurance group which provides financial services to private individuals, professionals, social-profit institutions, corporates and the public authorities in Belgium.</p> <p>With an essentially Belgian balance sheet for its commercial activities and customers from all segments, Belfius is in a position to act as a universal bank “of and for Belgian society”. Belfius is committed to maximal customer satisfaction and added social value by offering products and providing services with added value through a modern distribution model. Thanks to a prudent investment policy and a carefully managed risk profile, Belfius aspires to a sound financial profile that results in a solid liquidity and solvency position.</p>
2.6 Brief description of current activities	
<p>Main commercial subsidiaries <i>Belfius Insurance</i></p> <p>Insurance company marketing life and non-life insurance products, savings products and investments for individuals, the self-employed, liberal professions, companies and the public and social sector. At the end of June 2018, total consolidated balance sheet of Belfius Insurance amounted to EUR 21 billion¹.</p>	

¹ For more details, see the annual report 2017 of Belfius Insurance.

Crefius

Company servicing and managing mortgage loans. At the end of June 2018, total balance sheet of Crefius amounted to EUR 40 million².

Belfius Auto Lease

Company for operational vehicle leasing and car fleet management, maintenance and claims management services. At the end of June 2018, total balance sheet of Belfius Auto Lease amounted to EUR 322 million³.

Belfius Lease

Company for financial leasing and renting of professional capital goods. At the end of June 2018, total balance sheet of Belfius Lease amounted to EUR 798 million⁴.

Belfius Lease Services

Financial leasing and renting of professional capital goods to the self-employed, companies and liberal professions. At the end of June 2018, total balance sheet of Belfius Lease Services amounted to EUR 1,988 million⁵.

Belfius Commercial Finance

Company for financing commercial loans to debtors, debtor in-solvency risk cover and debt recovery from debtors (factoring). At the end of June 2018, total balance sheet of Belfius Commercial Finance amounted to EUR 994 million⁶.

Belfius Investment Partners

Company for administration and management of funds. At the end of June 2018, total balance sheet of Belfius Investment Partners amounted to EUR 149 million⁷.

Results 2017

In 2017, Belfius recorded a net income group share of EUR 606 million, against EUR 535 million in 2016, up 13.1%. The bank's contribution to the consolidated net income 2017 amounted to EUR 435 million (compared to EUR 335 million in 2016) and the insurance group's contribution to EUR 171 million (compared to EUR 201 million in 2016).

In a challenging interest rate environment, Belfius continues to realise very good performances. The result reflects the continued successful implementation of the bank-insurance model and the strong growth of commercial volumes despite significant deferred tax reassessment (EUR -106 million) due to the decrease of the corporate income tax rate as from 2018 onwards.

The result also benefitted from efficient financial management and strict cost containment, despite

² Total IFRS balance sheet before consolidation adjustments

³ Total IFRS balance sheet before consolidation adjustments

⁴ Total IFRS balance sheet before consolidation adjustments

⁵ Total IFRS balance sheet before consolidation adjustments

⁶ Total IFRS balance sheet before consolidation adjustments

⁷ Total IFRS balance sheet before consolidation adjustments

important investments in innovation and strategic priorities like digitalisation. Higher income (+4%) and stable costs (+0.2%) lead to a cost to income ratio that further improved to 58.1%, compared to 60.5% at year-end 2016. Cost of risk amounted to EUR 33 million in 2017 against EUR 116 million in 2016. Net income before tax stood at EUR 963 million, up EUR 183 million or 23.5% compared to 2016. Tax expense, including deferred taxes, amounted to EUR 357 million in 2017 compared to EUR 244 million in 2016. This increase is mainly driven by the reassessment of (net) deferred tax assets following the Belgian corporate income tax reform enacted before year-end 2017, whereby the nominal corporate income tax rate will gradually decrease from 33.9% to 25% by 2020. This resulted in an additional tax expense for the banking group of EUR 64 million and EUR 42 million for the insurance group.

As a result, Belfius net income group share amounted to EUR 606 million following the Belgian corporate income tax reform for 2017, compared to EUR 535 million in 2016.

At the end of December 2017, total equity amounted to EUR 9.5 billion, against EUR 9.0 billion as of 31 December 2016.

The common equity tier 1 (“**CET 1**”) ratio (phased in) was 16.1% at 31 December 2017 compared to 16.6% at 31 December 2016. The CET1 ratio (fully loaded) was 15.9% at 31 December 2017 compared to 16.1% at 31 December 2016.

The total capital ratio (phased in) amounted to 18.6% at the end of 2017 against 19.4% at the end of 2016. The total capital ratio (fully loaded) amounted to 18.1% at the end of 2017 against 18.4% at the end of 2016.

At the end of 2017, regulatory risk exposure (phased in) of Belfius amounted to EUR 50,620 million, an increase of EUR 3,890 million compared to EUR 46,730 million at the end of 2016. Risk-weighted exposure also stems from the Danish Compromise, whereby the capital instruments issued by Belfius Insurance and held by Belfius Bank are included in the regulatory risk exposure via a weighting of 370%.

At the end of 2017, the Belfius leverage ratio (phased in) –based on the current CRR/CRD IV legislation –stood at 5.6%. The leverage ratio (fully loaded) stood at 5.5%.

Minimum CET1 requirements (“SREP”)

Based on the most recent “Supervisory Review and Evaluation Process” (“**SREP**”), Belfius must comply for 2018 with a minimum CET 1 ratio (phased in) of 10.125%, which is composed of:

- a Pillar 1 minimum of 4.5%;
- a Pillar 2 Requirement (P2R) of 2.25%;
- a capital conservation buffer (CCB) of 1.875%; and
- a O-SII buffer) of 1.5%.

Note that the ECB has also notified Belfius of a Pillar 2 Guidance (P2G) of 1% CET 1 ratio for 2018.

Based upon the phasing in of the Capital Conservation Buffer which will increase from 1.875% in 2018 to 2.5% in 2019 and all other things remaining equal (including, for the avoidance of doubt, Belfius’ P2R which may or may not remain the same), this will lead to a 10.75% fully loaded minimum CET1 requirement for 2019.

In addition, Belfius Bank must take into account a 0.5% shortfall in Additional Tier 1 instruments, which brings the effective fully loaded minimum CET1 ratio requirement to 11.25%.

Further to these regulatory requirements, Belfius has set, under current market conditions and

applying the current legislation, a minimum operational CET 1 ratio of 13.5% on solo and consolidated levels. This ratio has as a purpose to safeguard the capacity of Belfius to pay a dividend and to decide independently a dividend policy under financial stress situations. Moreover, Belfius works currently with a CET1 ratio target that lies 2% higher than this minimum operational level to take into account unforeseen elements. Belfius wishes to manage its solvability in normal and stable circumstances in line with this target ratio, unless the buffer, as mentioned above, (partially or completely) has been used and on the condition that the legislations for consolidated and statutory solvency ratios do not change substantially.

Results 1H 2018

Belfius' Net Income before tax 1H 2018 stands at EUR 473 million, up 6% from 1H 2017. The bank contributed EUR 274 million and the insurer EUR 199 million.

Solid growth of the net income before tax is compensated by an increase of tax expenses, hence leading to net income of EUR 335 million in 1H 2018, i.e. 7% down compared to a net income of EUR 361 million in 1H 2017.

Further growing commercial franchise and efficient financial management continue to support the profit capacity of Belfius:

- Resilient Net interest income of the bank despite low interest rate environment.
- Stable Fee & Commission income of the bank thanks to successful profit diversification and bancassurance strategy.
- Cost containment programs well on track, even in light of accelerating investments in both the digitalization of financial services in Belgium and in people to support the commercial growth, leading to operating costs of EUR 690 million and to a C/I ratio of 58.8%.
- Sound risk management and good credit quality of the portfolios continue to translate into historically low cost of risk (EUR 9 million in 1H 2018 vs. EUR 24 million in 1H 2017), which further benefited from the sale of some Italian government bonds in 1H 2018.

Belfius continues to demonstrate solid solvency levels: 16.3% CET 1 Fully Loaded at consolidated level and 210% Solvency II ratio for Belfius Insurance.

Net asset value at EUR 9.4 billion, slightly below end 2017 level, as remaining part of FY 2017-dividend has been paid in April 2018.

Belfius' Board of Directors of 8 August 2018 decided to pay in September an interim dividend, relative to 1H 2018 results, of EUR 100 million to the Belgian State.

Segment reporting

Analytically, Belfius splits its activities and accounts in three segments: Retail and Commercial (RC), Public and Corporate (PC) and Group Center (GC); with RC and PC containing the key commercial activities of Belfius.

- **Retail and Commercial (RC)**, managing the commercial relationships with individual customers and with small & medium sized enterprises both at bank and insurance level;
- **Public and Corporate (PC)**, managing the commercial relationships with public sector, social sector and corporate clients both at bank and insurance level;
- **Group Center (GC)** containing the residual results not allocated to the two commercial segments. This mainly consists of results from bond and derivative portfolio management. Note that as from 1 January 2017, Belfius integrated the former Side segment into Group Center.

Retail and Commercial (RC)

Belfius Bank is the number two bank-insurer in Belgium with approximately 3.6 million retail and commercial customers served through 661 branches, the new 'remote' advice and sales centre "Belfius Connect", and a large number of automatic self-banking machines. Belfius Bank is also a leader in the mobile banking space, with over 1 million active mobile users, the highest mobile banking penetration amongst Belgian banks. Belfius Bank offers individuals, self-employed persons, the liberal professions and small and medium-sized enterprises ("**SMEs**") a comprehensive range of retail, commercial and private banking and insurance products and services. Its ambition is to offer all basic banking and insurance products through the mobile, paperless, end-to-end and real-time channels by 2020.

Belfius Insurance offers insurance products to retail and commercial customers through the Belfius Bank branch network, as well as through the tied agents network of DVV insurance. It also offers insurance products through Corona Direct Insurance, a direct insurer active via the Internet and "affinity partners", which are external parties with which Corona collaborates and which offer Corona insurance products. Belfius Insurance's business model is increasingly focused on bank-assurance, with Belfius Bank branches being the channel with the highest growth. Belfius Insurance has also integrated the Elantis brand, which offers mortgage loans and consumer loans through independent brokers, for the balance sheet of Belfius Insurance, Belfius Bank and a third party bank. Belfius Insurance is the sixth largest insurer in Belgium, focusing mainly on the retail market.

Strategy

In 2015, Belfius launched its Belfius 2020 strategy for Retail and Commercial, which is focused on achieving four ambitions by 2020:

- to progress from customer satisfaction (95% for 2017) to customer recommendation (i.e., committed customers who are prepared to recommend Belfius.);
- to further develop a differentiated and digitally supported business model, with an ideal balance between qualitative relationship management on the one hand, and efficient, user-friendly direct channels on the other. Two complementary omni-channel approaches are being developed for that purpose:
 - an approach with a digital and remote-access focus geared towards retail customers combined with value-added branch interactions at key life moments for customers; and
 - an approach with account management focus geared towards privileged, private and business customers supported by convenient digital and remote-access tools;
- to increase the dynamic market share in core products to a minimum of 15%.; and
- to further implement Belfius' continued focus on processes with value added for Belfius' customers, with a reduction in the cost to income ratio.

In order to achieve these aims, Belfius is implementing several initiatives across Retail and Commercial:

- a more granular sub-segmentation of the customer base with appropriately designed value propositions for each of them;
- an accelerated digital transformation to enable client convenient direct sales of the ten most important bank and insurance products, supported by in-depth customer knowledge via data analysis, the principle of mobile first and paperless sales transactions supported by digital tools and services for the account manager;
- an innovative distribution strategy with a customer oriented approach which is becoming more

omni-channel in every aspect. In the future, branches will concentrate even more on proactive advice for the privileged, private and business customer segments. Information, service and sales for retail customers will increasingly be conducted through digital and remote-access channels. Belfius Connect, a new “remote” advice and sales centre, ensures better commercial accessibility for customers by satisfying their needs from early in the morning to late into the evening; and - the further development of an all-in property offer (via Belfius Immo, a subsidiary of Belfius) and the development of Belfius Investment Partners, a specialised subsidiary of Belfius that manages investment funds for the purpose of completing the investment products offering of Belfius for Retail and Commercial customers.

The management of Belfius believes that this strategy enables Belfius to continue its revenue diversification and expansion, driven by the momentum in fee and commission income, through increased cross-selling. By more effectively cross-selling its banking and insurance products, resulting in a higher customer equipment rate, Belfius also targets an increased sales productivity and increasing direct sales of value-adding products.

RC results in 2017

The commercial activity remained solid. At 31 December 2017, total savings and investments amounted to EUR 105.9 billion, an increase of 3.3% compared with the end of 2016. The organic growth in 2017 remains stable at EUR 2.4 billion. This is an undisputed proof of the ever increasing confidence Belfius is inspiring to its customers. EUR 36.6 billion (+7%) came from the investments of 110,000 private customers, who called on more than 251 local private bankers with a certification. This underlines the position held by Belfius as a first-class private bank. The amount of investments entrusted to Belfius via mandates and service contracts rose by 10% in 2017 to reach EUR 11.2 billion.

On-balance sheet deposits totalled EUR 63.6 billion at 31 December 2017, slightly up (+2.6%) from the end of 2016. Customers adopted a rather wait-and-see attitude for deposits because of the historically low interest rates. There was very good growth in the funds deposited in current and savings accounts, which reached EUR 11.6 billion (+12%) and EUR 41.5 billion (+3.7%) respectively. Less capital found its way to long-term fixed rate investments (a drop of 17% for savings certificates and a decrease of 6.4% for bonds issued by Belfius).

Off-balance sheet investments went up by 7.8% compared to the end of 2016, to EUR 31.9 billion, and this thanks to a more pronounced customers’ preference for products with potentially higher yields (mutual funds, mandates). Strong net production in asset management and Branch 23 and Branch 44 insurances, supported by the successful development of new products (My Portfolio, multi-manager funds and Belfius Invest).

Life insurance reserves for investment products amounted to EUR 10.4 billion, down 5.1% compared to the end of 2016. Investments in Branch 21 life insurance guaranteed products decreased because of the low interest rates, but that drop was partially offset by Branch 23 and Branch 44 products.

Total loans to customers rose strongly to EUR 45 billion at 31 December 2017. The increase occurred mainly in mortgage loans (+6.2%) and business loans (+9.3%). Mortgage loans, which account for two thirds of all loans, amounted to EUR 30.6 billion at the end 2017, while consumer loans and business loans stood at EUR 1.5 billion and EUR 12.5 billion respectively.

New long-term loans granted to retail clients during 2017 amounted to EUR 9.6 billion compared to EUR 9.3 billion in 2016. In 2017, the new production of mortgage loans remained stable at EUR 5.5

billion. During the same period, EUR 3.3 billion in new long-term business loans were granted, up 13.4% compared to 2016. In 2017, Belfius assisted 12,466 new start-ups, an increase of 7% on 2016.

The total insurance production from customers in the Retail and Commercial segment amounted to EUR 1,692 million in 2017, compared with EUR 1,419 million in 2016, an increase of 19%.

Life insurance production stood at EUR 1,153 million in 2017⁸, up 26% compared to 2016⁹. Unit-linked (Branch 23) premiums went up strongly (+52.4%) thanks to growing product suite and customer demand. Traditional Life (Branch 21/26) production progressed solidly (+10.5%) despite the low guaranteed yields.

Non-Life insurance production in 2017 stood at EUR 539 million, up 6.9% compared to 2016, thanks to the bank-insurance strategy and good performance in all other strategic distribution channels (e.g. Corona Direct Insurance, DVV).

Indeed, thanks to the “one-stop-shopping” concept of Belfius, the mortgage loan cross-sell ratio for fire insurance increased from 83% at the end of 2016 to 85% at the end of 2017. The mortgage loan cross-sell ratio for credit balance insurance remained stable at 144% compared to the end of 2016.

Total insurance reserves, in the Retail and Commercial segment amounted to EUR 13.9 billion. Life insurance reserves dropped since the end of 2016 by 3.7% to EUR 12.9 billion at the end of 2017 as a result of a context characterised by historically low interest rates. Unit-linked reserves (Branch 23) increased by 18.6%, while traditional guaranteed life reserves (Life Branch 21/26) decreased by 7.9%, demonstrating the life product mix transformation from guaranteed products to unit-linked products. Non-life reserves remained stable at EUR 1 billion.

Belfius continues to set the pace in mobile banking in Belgium and further developed its digitally supported business model. At the end of 2017, Belfius’ apps for smartphones and tablets had 1,071,000 users (+26%) and were consulted by customers on average once a day. The extremely high satisfaction figures show that continuous innovation, focused on user-friendliness and utility for the customer is profitable.

Belfius continues to extend the functionalities of its apps. In 2017, 41% of the new pension saving contracts, 31% of the new credit cards and 29% of the new savings accounts were subscribed via direct channels.

RC net income after tax decreased from EUR 459 million in 2016 to EUR 443 million in 2017.

RC results in 1H 2018

The commercial activity continues to show excellent dynamics. Belfius enjoys a strong growth in total savings and investments of EUR 2.1 billion in 1H 2018, amounting to EUR 106.5 billion thanks to strong organic growth in non-maturing products.

On-balance sheet deposits totalled EUR 66.2 billion on 30 June 2018, up +4.0% from the end of 2017. There was very good growth in the funds deposited in current and savings accounts, which reached EUR 13.0 billion (+11.8%) and EUR 42.6 billion (+2.8%) respectively at the end of June 2018. Less customer funds found their way to long-term fixed rate investments, resulting in a drop of 4.2% for savings certificates to an amount of EUR 2.2 billion. The less favourable stock markets and the

⁸ Of which EUR 782 million gross written premiums and EUR 371 million transfers/renewals.

⁹ Of which EUR 626 million gross written premiums and EUR 289 million transfers/renewals.

further evolved MIFID regulation lead to a change in product mix with more non-maturing deposit products versus fewer asset management products.

Off-balance sheet investments went slightly down by 0.8% in 1H 2018, compared to the end of 2017, to EUR 30.1 billion, mainly due to unfavourable market conditions.

Life insurance reserves for investment products amounted to EUR 10.2 billion, down 1.4% compared to the end of 2017. Investments in Branch 21 life insurance guaranteed products decreased because of the low interest rates, but that drop was partially offset by a strong increase in Branch 23 and Branch 44 products.

Total loans to customers rose strongly to EUR 46.5 billion at the end of June 2018. The increase occurred mainly in consumer loans (+10.7%) and business loans (+5.0%). Mortgage loans, which account for two thirds of all loans in this segment, amounted to EUR 31.2 billion at the end of June 2018 and remained at a high level with an increase of 2.1 % compared to the end of 2017.

New long term loans granted to retail and commercial clients during 1H 2018 amounted to EUR 5.2 billion compared to EUR 4.9 billion in 1H 2017. In 1H 2018, the new production of mortgage loans slightly decreased from EUR 2.9 billion in 1H 2017 to EUR 2.7 billion. During the same period, EUR 2.0 billion in new long-term business loans were granted, up 21.7% compared to 1H 2017. Belfius assisted 6,460 new start-ups in 1H 2018.

The total insurance premium production from customers in the Retail and Commercial segment amounted to EUR 951 million in 1H 2018, compared to EUR 916 million in 1H 2017, an increase of 3.8%.

Life insurance production stood at EUR 656 million in 1H 2018¹⁰, up 2.7% compared to 1H 2017¹¹. Unit-linked (Branch 23) premiums went up strongly (+11.9%). Traditional Life (Branch 21/26) production decreased (-6.1%) following the low interest rate environment. These evolutions demonstrate the life product mix transformation: less guaranteed products and more unit-linked products.

Non-Life insurance production in 1H 2018 stood at EUR 295.5 million, up 6.3% compared to 1H 2017, thanks to the bank distribution channel and good performance in all other strategic distribution channels (e.g. Corona Direct Insurance, DVV).

Indeed, thanks to the “one-stop-shopping” concept of Belfius, the mortgage loan cross-sell ratio for property insurance stood at 84.7% in 1H 2018 compared to 84.3% in 1H 2017. With a ratio of 139% in 1H 2018 Belfius also continues to show a solid mortgage loan crosssell ratio for credit balance insurance.

Total insurance reserves in the Retail and Commercial segment amounted to EUR 14.0 billion. Life insurance reserves increased since the end of 2017 by 0.3% to EUR 12.9 billion in 1H 2018 in a context of historically low interest rates. Unit-linked reserves (Branch 23) increased by 9.8%, while traditional guaranteed life reserves (Life Branch 21/26) decreased by 2.1%, demonstrating the life product mix transformation from guaranteed products to unit-linked products. Non-life reserves remained stable at EUR 1 billion.

¹⁰ Of which EUR 478.3 million Gross Written Premiums and EUR 177.3 million transfers.

¹¹ Of which EUR 319.6 million Gross Written Premiums and EUR 318.6 million transfers.

Belfius continues to set the pace in mobile banking in Belgium and further developed its digitally supported business model. On 30 June 2018, Belfius apps for smartphones and tablets had 1,151,000 users (+7.5% compared to end of 2017) and were consulted by customers on average (slightly more than) once a day. The very high satisfaction figures show that continuous innovation, focused on user-friendliness and utility for the customer is profitable.

Belfius continues to extend the functionalities of its direct channels. In 1H 2018, 46% of the new pension saving contracts, 30% of the new credit cards and 27% of the new savings accounts were subscribed via direct channels.

RC net income after tax amounted to EUR 241 million in 1H 2018 compared to EUR 245 million in 1H 2017.

Public and Corporate (PC)

Belfius offers a comprehensive range of banking and insurance products and services to approximately 12,000 public and social institutions and 10,600 corporates. In 2017, it had the market leading position in the public and social sector anchored by its over 150-year involvement in the sector, as well as being the fourth-largest bank for corporates by loans. Belfius has successfully developed its corporate offering, expanding its market share of loans to medium and large-sized corporates from 8.7% in 2013 to 12.2% in 2017¹². Belfius estimates that it serves approximately 50% of Belgian corporate clients (representing approximately 60% penetration of corporates and mid-corporates and 25% of large Belgian corporates).

Strategy

Within the Public and Corporate market, Belfius intends to maintain its position as the leader in the public and social market and to continue its growth strategy in Belgian corporate market.

Customer satisfaction is one of Belfius' top priorities, with Public and Corporate clients reporting 98% customer satisfaction in 2017. Belfius has established a focused strategy to maintain this high standard. First, Belfius offers a wide range of classic banking and insurance products meeting all basic financial needs as effectively as possible. In addition to these traditional products, Belfius also looks to add value to its client relationships by leveraging its deep client and market understanding and offering tailor-made products and services to meet the needs of public, social and corporate clients.

In light of the challenges faced by public institutions in Belgium, Belfius continues to pursue its Smart Belgium programme, through which Belfius, together with partners from the public sector, the private sector and academic institutions, has created a forum in which smart solutions for a sustainable society can be developed. Through the Smart Belgium programme, Belfius acts as a financial partner and contact for local governments, intermunicipal authorities, start-ups, businesses, hospitals, schools, rest homes, care centres, academics and citizens, supporting these partners with their smart projects which can fall under eight areas: mobility, the circular economy, the environment, ecosystems, urban development, healthcare, education and energy.

In the corporate sector, Belfius builds on mutual trust and respect in order to develop sustainable and long-term client relationships. This aspiration for client intimacy means that Belfius does not focus on only selling products, but also on advising, servicing and consulting with clients. To realise these objectives Belfius took a series of actions over the past few years, including:

¹² Estimated figure.

- partnering with subsidy consultants in order to help clients with their applications for potential government subsidies;
- connecting wealth management and corporate banking to create a two-way flow between private and professional aspects of the client-bank relationship;
- developing employee benefit products with a focus on mobility solutions (e.g. car leases), wage improvements (e.g. warrants and bonuses) and risk protection (e.g. hospitalisation, group insurance and collective pension plans);
- supporting international trade and mitigating related risks through trade finance (e.g. documentary credits, warranties and standby letters of credit), international payment solutions and cash pooling; and
- assisting clients with working capital management through the development of sound strategies and in-depth analyses of inventory management, credit management, and cash and treasury management.

Belfius is of the opinion that its local proximity to corporate customers and accessible decentralised decision centres provide a key competitive advantage over Belgian banking subsidiaries of international banks, enabling it to respond to customer needs quickly.

To further build its service offering towards corporate clients and to replicate in equity capital markets the success achieved in debt capital markets, Belfius entered into a strategic partnership with Kepler Cheuvreux in 2017. The partnership will create a new equity franchise with a strong local presence in Belgium, offering clients services in equity capital markets transactions, equity research, institutional sales and brokerage. This partnership is expected to further deepen Belfius' integrated customer offering and provide access to key corporate customer insight.

Belfius is of the opinion that the successful implementation of its Public and Corporate strategy will continue and enhance the segment's solid growth since 2015, enabling Belfius to reach a (loan) market share above 15% in the Belgian corporate sector, evidencing its place as one of the major corporate sector servicing banks in Belgium.

PC results in 2017

At 31 December 2017, total savings and investments stood at EUR 32.1 billion, an increase of 1.3% compared with the end of 2016. On-balance sheet deposits increased by EUR 0.3 billion (+1.3%) to EUR 23.2 billion. The off-balance sheet investments registered an increase of 1.6% to reach EUR 8.3 billion. Life insurance reserves for investment products amounted to EUR 0.6 billion.

Total outstanding loans remained stable at EUR 38.3 billion. Outstanding loans in Public and Social banking decreased mainly due to lower demand, increased competition on the Public and Social Sector market, and the structural shift to more alternative financing sources through (debt) capital markets. Belfius' intensified commercial strategy towards Belgian corporates results in an increase of 13.8% (compared to 31 December 2016) of outstanding loans to EUR 10.8 billion as of 31 December 2017. Off-balance sheet commitments increased with 4.2% to EUR 20.9 billion.

Belfius granted EUR 5.9 billion (+3%) of new long-term loans in the Belgian economy for corporate customers and the public sector. Long-term loan production for corporate customers increased by 12% to EUR 3.8 billion. Belfius is thus one of the four largest Belgian banks in the corporate sector, with an estimated market share in terms of assets up from 9% to 12.2% between the end of 2015 and the end of 2017. This increase is, among other things, the result of Belfius' growth ambition in this segment and a pertinent and clear positioning as a "Business to Government" market specialist.

Despite poor market demand in 2017, Belfius still granted EUR 2.1 billion in new long-term funding

to the public sector. Belfius is and remains uncontested market leader, and replies to every funding tender from public sector entities, at sustainable pricing terms. It manages the treasury of practically all local authorities and was attributed 73% of tendered loan files in 2017. Moreover, in December, Belfius was once again chosen as the exclusive cashier of the Brussels-Capital Region, a role the bank has played without interruption since 1991.

Belfius also confirmed its position as leader in debt capital markets (DCM) issues for (semi-)public and corporate customers by taking part in 86% and 58% respectively of available mandates on the Belgian market. In 2017, Belfius issued EUR 5.4 billion in innovative means of funding in the form of short-term issues (average outstanding on commercial papers) and long-term issues (medium term notes and bonds). For the fifth consecutive year, Euronext crowned Belfius “No. 1 Bond Finance House of the Year”. This prestigious award again confirms the strategic role played by the bank in bond issues for Belgian issuers.

With regard to insurance activities, the Public and Corporate segment recorded solid underwriting volumes, in particular for life insurance products.

Non-life insurance production amounted to EUR 135 million in 2017, up 1.7% compared to 2016.

Gross production in the life segment amounted to EUR 273 million, an increase of 4.3%, and this despite the historically low interest environment.

PC net income after tax rose from EUR 152 million in 2016 to EUR 193 million in 2017.

PC results in 1H 2018

On 30 June 2018, total savings and investments stood at EUR 32.9 billion, an increase of 2.4% compared with the end of 2017. On-balance sheet deposits decreased by EUR 0.6 billion (-2.6%), to EUR 22.6 billion. The off-balance sheet investments registered an increase of 16.6% to reach EUR 9.7 billion. Life insurance reserves for investment products amounted to EUR 0.6 billion.

Total outstanding loans increased by EUR 0.7 billion (or 2.0%) to EUR 39.0 billion. Outstanding loans in Public and Social banking slightly decreased mainly due to lower demand, increased competition on the Public and Social Sector market, and the structural shift to more alternative financing sources through (Debt) capital markets. Belfius’ commercial strategy towards Belgian corporates results in an increase of 8.8% (compared to December 2017) of outstanding loans to EUR 11.8 billion at the end of June 2018. Off-balance sheet commitments increased with 3.7% to EUR 21.2 billion.

Belfius granted EUR 3.1 billion (+21%) of new long-term loans in the Belgian economy for Corporate customers and the Public sector in 1H 2018. Long-term loan production for Corporate customers increased by 24% to EUR 2.3 billion. This increase is a.o. the result of our growth ambition in this corporate segment and a pertinent and clear positioning as a “Business to Government” market specialist.

Despite poor market demand in 1H 2018, Belfius still granted EUR 0.8 billion in new long-term funding to the Public sector. The bank is and remains uncontested market leader, and replies to every funding tender from Public sector entities. It manages the treasury of practically all local authorities.

Belfius also confirmed its position as leader in Debt Capital Markets (DCM) for (semi-)Public and Corporate customers by offering diversified financing solutions. During 1H 2018, the bank has placed

a total funding amount of EUR 2.9 billion short term and EUR 0.3 billion long term notes (allocated amount) for public and social sector clients and kept its level of participation rate at 85%. The long term funding amount placed is slightly lower than in 1H 2017 partly due to one delayed benchmark transaction of a large public entity towards 2H 2018. With a participation rate of 44% in new long term bond issuances, Belfius also confirmed during 1H 2018 its position as leader in bond issues for Belgian corporate clients, and placed a total amount of EUR 1.0 billion short term and EUR 0.1 billion long term notes.

Belfius also structured and placed capital market transactions within Equity Capital Markets (ECM), such as IPO's, capital increases and private placement of shares for various corporate clients in 1H 2018. These mandates were executed in close cooperation with Kepler Cheuvreux, Europe's leading independent equity broker, with whom Belfius entered into a strategic partnership in November 2017 to create a new equity franchise with strong local presence in Belgium. Additionally, Kepler Cheuvreux also published its first independent equity research reports for listed Belgian corporates in 1H 2018.

With regard to insurance activities, total gross production in the Public and Corporate segment amounted to EUR 225 million in 1H 2018. Gross production in the life segment amounted to EUR 141 million in 1H 2018, down 11% compared to 1H 2017, mainly due to the historically low interest rate environment. Gross production in the non-life segment amounted to EUR 85 million in 1H 2018, a decrease of almost EUR 5 million or 5.5% compared to 1H 2017. In 2Q 2018, Belfius Insurance decided to focus its non-life insurance business on the segment of social sector through direct distribution and to put the non-life-activities towards other institutional and corporate customers through the brokerage channel in run-off, and to reallocate freed-up resources to its strong developing non-life insurance business with SME customers through its own (bank and DVV) distribution channels.

PC net income after tax amounted to EUR 127 million in 1H 2018 compared to EUR 122 million in 1H 2017.

Group Center (GC)

From 1 January 2017, Group Center operates through two subsegments.

- Run-off portfolios which are mainly comprised of
 - a portfolio of bonds issued by international issuers, especially active in the public and regulated utilities sector (which includes the UK inflation-linked bonds), covered bonds and ABS/RMBS, the so-called ALM Yield bond portfolio;
 - a portfolio of credit guarantees, comprising credit default swaps and financial guarantees written on underlying bonds issued by international issuers, and partially hedged by Belfius with monoline insurers (mostly Assured Guaranty); and
 - a portfolio of derivatives with Dexia entities as counterparty and with other foreign counterparties.
- ALM liquidity and rate management and other group Center activities, composed of liquidity and rate management of Belfius (including its ALM Liquidity bond portfolio, derivatives used for ALM management and the management of central assets) and other activities not allocated to commercial activities, such as corporate and financial market support services (e.g., Treasury), the management of two former specific loan files inherited from the Dexia era (loans to Gemeentelijke Holding/Holding Communal and Arco entities), and the Group Center of Belfius Insurance. These portfolios and activities are further described below.

ALM Yield bond portfolio

The ALM Yield bond portfolio of Belfius Bank is used to manage excess liquidity (after optimal commercial use in the business lines) and consists mainly of high quality bonds of international issuers.

At the end of June 2018, the ALM Yield bond portfolio stood at EUR 3.6 billion¹³, down 0.7% compared to December 2017, mainly due to amortizations. End of June 2018, the portfolio was composed of corporates (70%), sovereign and public sector (12%), asset-backed securities (11%), and financial institutions (7%). Almost 85% of the corporate bonds, mainly composed of long-term inflation linked bonds, are issued by highly-regulated UK utilities and infrastructure companies such as water and electricity distribution companies. These bonds are of satisfactory credit quality, and the majority of these bonds are covered with an issuer credit protection by a credit insurer (monoline insurer) that is independent from the bond issuer.

At the end of June 2018, the ALM Yield bond portfolio has an average life of 20.5 years and the average rating remained at A. 95% of the portfolio is investment grade (IG).

Derivatives with Dexia-entities and foreign counterparties

During the period it was part of the Dexia Group, former Dexia Bank Belgium (now Belfius Bank) was Dexia Group's "competence center" for derivatives (mainly interest rate swaps): this meant that all Dexia entities were able to cover their market risks with derivatives with Dexia Bank Belgium, mainly under standard contractual terms related to cash collateral. Former Dexia Bank Belgium systematically rehedged these derivative positions externally, as a result of which these derivatives broadly appear twice in Belfius accounts: once in relation to Dexia-entities and once for hedging. The remaining outstanding notional amount of derivatives with Dexia-entities and non collateralized interest rate derivatives with international non financial counterparties amounted to EUR 30.7 billion¹⁴ at the end of June 2018 (compared to EUR 34.3 billion at the end of December 2017), of which EUR 25.8 billion with Dexia entities (compared to EUR 29.2 billion at the end of December 2017). The fair value of those Dexia derivatives amounts to EUR 4.1 billion.

At the end of June 2018, the average rating of the portfolio stood at A-and the average residual life of the portfolio stood at 14.3 years¹⁵.

Credit guarantees

At the end of June 2018, the credit guarantees portfolio amounted to EUR 3.8 billion¹⁶, down 2% compared to December 2017, mainly due to amortizations. It relates essentially to Financial Guarantees, and Credit Default Swaps issued on corporate/public issuer bonds (84%), ABS (13%) and covered bonds (3%). The good credit quality of the underlying reference bond portfolio, additional protection against credit risk incorporated in the bond itself and the protections purchased by Belfius mainly from various monoline insurers (US reinsurance companies, essentially Assured Guaranty) result in a portfolio that is 100% investment grade (IG) in terms of credit risk profile. This portfolio also contains Total Return Swaps for an amount of EUR 0.4 billion¹⁷.

¹³ Nominal amount

¹⁴ Nominal amount

¹⁵ Calculated on EAD

¹⁶ Nominal amount

¹⁷ Nominal amount

At the end of June 2018, the average rating of the portfolio remained at A-and the average residual life of the portfolio stood at 10.1 years.

ALM Liquidity bond portfolio

The ALM Liquidity bond portfolio is part of Belfius Bank's total LCR liquidity buffer and is a well diversified, high credit and liquidity quality portfolio.

At the end of June 2018, the ALM Liquidity bond portfolio stood at EUR 7.5 billion¹⁸, down EUR 0.5 billion or 7% compared to December 2017, mainly due to the sale of Italian sovereign bonds (EUR 0.8 billion) partially compensated by a reinvestment program of EUR in LCR eligible bonds. End of June 2018, the portfolio was composed of sovereign and public sector (67%), covered bonds (25%), assetbacked securities (5%) and corporates (2%). The Italian government bonds in the ALM Liquidity bond portfolio amounted to EUR 1.5 billion¹⁹ as of 30 June 2018.

At the end of June 2018, the ALM Liquidity bond portfolio has an average life of 9.0 years, and an average rating of BBB+ (100% of the portfolio being investment grade (IG)).

Other Group Center activities

The other activities allocated to Group Center include:

- the interest rate and liquidity transformation activity performed within ALM, after internal transfer pricing with commercial business lines, including the use of derivatives for global ALM management;
- the management of two legacy loan files inherited from the Dexia era, i.e. the investment loans to two groups in liquidation, namely Gemeentelijke Holding/Holding Communal and some Arco entities;
- the results from hedging solutions implemented for clients (so-called financial markets client flow management activities);
- the results of treasury activities (money market); and
- the results including revenues and costs on assets and liabilities not allocated to a specific business line.

The Group Center of Belfius Insurance is also fully allocated to these other Group Center activities. The Belfius Insurance Group Center contains income from assets not allocated to a specific business line, the cost of Belfius Insurance's subordinated debt, the results of certain of its subsidiaries and costs that are not allocated to a specific business line.

Financial results GC

GC net income after tax stood at EUR -33 million in 1H 2018, compared to EUR -6 million in 1H 2017.

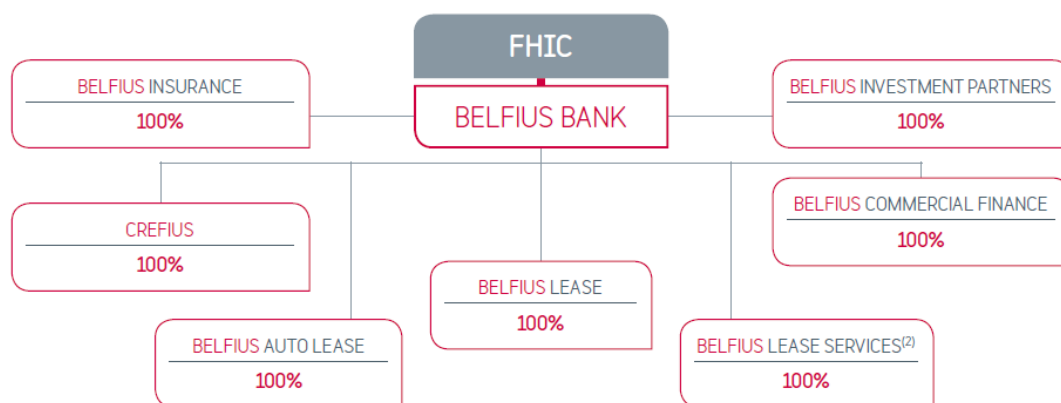
2.7 Capital or equivalent	
2.7.1. Amount of capital subscribed and fully paid	As at the date of the Information Memorandum the issued capital amounts to EUR 3,458,066,227.41 consisting of 359,412,616 registered shares with no face value, each representing 1/359,412,616 th fraction of the share capital.

¹⁸ Nominal amount

¹⁹ Nominal amount

2.7.2. Fraction of issued capital not fully paid-up	As at the date of this Information Memorandum, all the issued shares of the Issuer are fully paid.
2.8 List of main shareholders (optional)	359,407,616 registered shares are held by the public limited liability company of public interest Federal Holding and Investment Company (" FHIC ") in its own name but on behalf of the Belgian State and 5,000 registered shares are held by the public limited liability company Certi-Fed. Certi-Fed is a fully-owned subsidiary of FHIC.

Simplified Group structure (as at the date of the Information Memorandum)



2.9 Listing of the shares of the Issuer	Belfius Bank's shares are not listed.
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2.10 Composition of governing bodies and supervisory bodies

Composition of the management board and the board of directors

1. Management Board

The Management Board currently has five members who have all acquired experience in the banking and financial sector. The members of the Management Board form a college.

As of the date of this Information Memorandum, the Management Board has consisted of the following five members:

Name	Position	Significant other functions performed outside Belfius Bank
Marc Raisière	Chairman	none
Marianne Collin.....	Member	none
Dirk Gyselincq.....	Member	none
Olivier Onclin.....	Member	none
Johan Vankelecom.....	Member	none

The above members of the management board have their business address at 1210 Brussels, Place Charles Rogier 11, Belgium.

The Board of Directors has delegated all of its management powers to the Management Board set up from among its members. The members of the Management Board form a college. Such delegation of its powers does not extend to the setting of general policy, or to any other powers that are reserved under the law to the Board of Directors.

As a result, the Management Board is responsible for the effective management of the bank, directing and coordinating the activities of the various business lines and support departments within the context of the objectives and general policy that are determined by the Board of Directors.

The Management Board ensures that the bank's business activities are in line with the strategy, risk appetite and general policy set by the Board of Directors. It passes on relevant information to the Board of Directors to enable it to take informed decisions. It formulates the proposals and opinions of the Board of Directors with a view to the definition or improvement of the bank's general policy and strategy.

The members of the Management Board are required to carry out their duties in complete objectivity and independence and to take care of the interests of the different stakeholders. This implies that the necessary conditions must be met in order to carry out the functions of a bank in a stable and continuous manner.

Working under the supervision of the Board of Directors, the Management Board takes the necessary measures to ensure that the bank has a robust structure suited to the bank's organisation, including surveillance measures, with a view to guaranteeing the effective and prudent management of the bank in accordance with banking law.

There are no potential conflicts of interest between any duties to Belfius Bank of the members of the management board and their private interests and other duties.

2. Board of Directors

Belfius Bank is managed by its Board of Directors, which is entitled to take any action the right to which is not expressly reserved to the General Meeting of Shareholders of Belfius Bank by law or the articles of association of Belfius Bank. In accordance with Belgian banking law, the Board of Directors has delegated to the Management Board of Belfius Bank all such powers to the maximum extent permitted under Belgian law.

Pursuant to the articles of association of Belfius Bank, the Board of Directors of Belfius Bank is composed of a minimum of 5 members appointed for maximum terms of four years. The table below sets forth the names of the Directors, their position within Belfius Bank and the other significant functions they perform outside Belfius Bank.

The Board of Directors has the right to make an exception to the aforementioned principles on a case-by-case basis if it considers it to be in the company's best interest.

The business address for the members of the Board of Directors is 1210 Brussels, Place Charles Rogier 11, Belgium.

Composition as at the date of the Information Memorandum

As at the date of this Information Memorandum, the Board of Directors consists of 14 members, 5 of whom sit on the Management Board.

The Board of Directors, which is made up of professionals from a variety of industries, including the financial sector, has the expertise and experience required associated with the bank's various operating businesses.

Name	Position	Significant other functions performed outside Belfius Bank
Jozef Clijsters	Chairman of the Board of Directors of Belfius Bank	none
Marc Raisière	Chairman of the Management Board Responsible for IT, Digital & Data, Human Resources Management, Communication, Audit, Corporate Office & Secretary General	none
Marianne Collin	Member of the Management Board Chief Risk Officer Responsible for Risk Management and Compliance	none
Dirk Gyselincx.....	Member of the Management Board Responsible for Public & Corporate Banking, Financial Markets, Wealth Management, Customer Loan Services	none
Olivier Onclin.....	Member of the Management Board Responsible for Retail & Commercial Banking, Customer Transaction Services	none

Johan Vankelecom.....	Member of the Management Board Chief Financial Officer, Responsible for Accounting, Finance Reporting, Research, Liquidity & Capital Management, Strategic Corporate Development, Asset & Liability Management, Strategic Planning & Performance Management, Services, Tax & Legal	
Paul Bodart.....	Member of the Board of Directors (Independent Director)	none Professor in Financial Markets at the Solvay Business School
Jean-Pierre Delwart.....	Member of the Board of Directors of Belfius Bank (Independent Director)	Chairman of the Board of Directors of Solvac
Georges Hübner	Member of the Board of Directors of Belfius Bank (Independent Director)	Full Professor at HEC Liège - University of Liège
Carine Doutrelepont	Member of the Board of Directors of Belfius Bank (Independent Director)	Lawyer and Professor at the Université Libre de Bruxelles (ULB)
Diane Rosen.....	Member of the Board of Directors of Belfius Bank (Independent Director)	Financial Director of BAM Belgium SA
Chris Sunt	Member of the Board of Directors of Belfius Bank (Independent Director)	Lawyer

Lutgart Van Den Berghe	Member of the Board of Directors of Belfius Bank (Independent Director)	Executive Director at Guberna and Extraordinary Professor at the Vlerick Business School
Rudi Vander Vennet	Member of the Board of Directors of Belfius Bank (Independent Director)	Professor in Financial Economics and Banking at the University of Ghent (UG)

There are no potential conflicts of interest between any duties to Belfius Bank of the members of the Board of Directors and their private interests and other duties.

Advisory committees set up by the Board of Directors

The Board of Directors of Belfius Bank established various advisory committees to assist in its task, i.e. a Nomination Committee, a Remuneration Committee, an Audit Committee and a Risk Committee. These committees are exclusively composed of Non-Executive Directors. The members of these advisory committees sit at a maximum on three of these committees. A Mediation Committee has also been created within the Belfius group.

There are no potential conflicts of interest between any duties to Belfius Bank of the members of any of the following advisory committees and their private interests and other duties.

3. Nomination Committee

As of the date of the Information Memorandum, the Nomination Committee of Belfius Bank has the following membership:

Name	Position
Lutgart Van Den Berghe	Chairman – Director of Belfius Bank
Jozef Clijsters	Member - Chairman of the Board of Directors of Belfius Bank
Carine Doutrelepont	Member - Director of Belfius Bank
Johan Tack.....	Director of Belfius Insurance, invited as representative of Belfius Insurance

The Nomination Committee plays an advisory role and prepares decisions of the Board of Directors of Belfius Bank in relation to appointments. It also ensures the application of provisions concerning corporate governance. With a view to efficiency and consistency regarding group policy, this committee also prepares decisions of the Board of Directors of Belfius Insurance and other companies of the Belfius group in this regard.

4. Remuneration Committee

As of the date of the Information Memorandum, the Remuneration Committee of Belfius Bank has the following membership:

Name	Position
Lutgart Van Den Berghe	Chairman - Director of Belfius Bank
Jozef Clijsters	Member - Chairman of the Board of Directors of Belfius Bank
Carine Doutrelepont	Member - Director of Belfius Bank
Johan Tack.....	Director of Belfius Insurance, invited as representative of Belfius Insurance

The Remuneration Committee plays an advisory role and prepares decisions of the Board of Directors of Belfius Bank regarding remuneration.

With a view to efficiency and consistency regarding group policy, this committee also prepares decisions of the Board of Directors of Belfius Insurance and other companies of the Belfius group in this regard.

5. Audit committee

As at the date of the Information Memorandum, the Audit Committee of Belfius Bank has the following membership:

Name	Position
Georges Hübner.....	Chairman Director of Belfius Bank
Paul Bodart.....	Member Director of Belfius Bank
Chris Sunt.....	Member Director of Belfius Bank

The Audit Committee assists the Board of Directors in its task of carrying out prudential controls and exercising general supervision in a broad sense.

6. Risk Committee

As at the date of the Information Memorandum, the Risk Committee has the following membership:

Name	Position
Rudi Vander Vennet	Chairman Director of Belfius Bank
Georges Hübner	Member Director of Belfius Bank
Diane Rosen.....	Member Director of Belfius Bank
Chris Sunt	Member Director of Belfius Bank

The Risk Committee has advisory powers and responsibilities with regard to the Board of Directors in the following areas:

- appetite and strategy regarding the bank's current and future risks, more particularly the effectiveness of the risk management function and the governance structure to support them;
- monitoring implementation of risk appetite and strategy by the Management Board;
- allocating the risk appetite to various categories of risks and defining the extent and limits of risk in order to manage and restrict major risks;
- considering the risks run by the bank with its customer tariffs;
- assessing activities which expose the bank to real risks;
- supervising requirements in terms of capital and liquidity, the capital base and the bank's liquidity situation;
- the guarantee that risks are proportional to the bank's capital;
- formulating an opinion with regard to major transactions and new proposals for strategy activities that have a significant impact on the bank's risk appetite;
- obtaining information and analysing management reports as to the extent and nature of the risks facing the bank;
- monitoring the Internal Capital Adequacy Assessment Process (ICAAP) and the Recovery Plan.

7. Mediation Committee

As of the date of the Information Memorandum, the Mediation Committee has the following membership:

<u>Name</u>	<u>Position</u>
Jozef Clijsters	Chairman of the Board of Directors of Belfius Bank
Marc Raisière.....	Chairman of the Board of Directors of Belfius Insurance
Jean-Pierre Delwart.....	Member - Independent Director of Belfius Bank
Johan Tack	Member – Independent Director of Belfius Insurance

The Mediation Committee has advisory powers and is responsible for passing opinions relating to material transactions or operations between, on the one hand, Belfius Bank and its subsidiaries and, on the other hand, Belfius Insurance and its subsidiaries, or between their respective subsidiaries. Such opinions are sent to the Board of Directors of the companies concerned, which will then take a definitive decision on the planned transaction or operation.

2.11 Accounting method (optional)	The consolidated financial statements of the Issuer have been prepared in accordance with IFRS.
2.12 Accounting Year (optional)	Starting on 1 January and ending on 31 December.
2.13 Fiscal Year (optional)	Starting on 1 January and ending on 31 December.
2.14 Other short term programmes of the Issuer	Not Applicable

<p>2.15 Ratings of the Issuer</p>	<p>As at the date of the Information Memorandum Belfius Bank SA/NV has the following ratings:</p> <p><u>1. Long-term:</u></p> <p>A- from Fitch (stable outlook)</p> <p>A- from Standard & Poor's (stable outlook)</p> <p>A2 from Moody's (positive outlook).</p> <p><u>2. Short-term:</u></p> <p>F2 from Fitch</p> <p>A-2 from Standard & Poor's</p> <p>Prime-1 from Moody's.</p>
<p>2.16 Additional information on the issuer of the programme</p>	<p>The Issuer is not dependent on any of its subsidiaries, save for Belfius Insurance SA/NV. Belfius Insurance SA/NV holds the licenses required for insurance undertakings, and Belfius Bank consequently relies on it for the insurance activities carried out by it.</p> <p>There is no arrangement known to Belfius Bank, the operation of which may at a subsequent date result in a change of control of Belfius Bank.</p> <p>There are no recent events particular to Belfius Bank which are, to a material extent, relevant to the evaluation of its solvency.</p>

INFORMATION CONCERNING THE ISSUER'S REQUEST OF THE STEP LABEL

An application for a STEP label Programme has been made to the STEP Secretariat in relation to the Certificates eligible under the STEP Market Convention (Certificates A). Information as to whether the STEP label has meanwhile been granted for this Programme in relation to such Certificates may be available on the STEP market website (initially www.stepmarket.org). This website is not sponsored by the Issuer and the Issuer is not responsible for its content and availability.

Unless otherwise stated in this Information Memorandum, the expression "STEP", "STEP Market Convention", "STEP label", "STEP Secrétariat" and "STEP market website" shall have the meaning assigned to them in the Market Convention on Short-Term European Paper Dated 19 May 2015 and adopted by the Euribor ACI and European Money Markets Institute (as amended from time to time).

CERTIFICATION OF INFORMATION

<p>3.1 Persons responsible for the Information Memorandum</p>	<p>Belfius Bank SA/NV, having its registered office at Belgium,1210 Brussels, Place Charles Rogier 11 and registered with the Crossroads Bank for Enterprises under number 0403.201.185. represented by Mr. Dirk Gyselinck member of the Board of Management, duly authorized thereto by a power of attorney granted on December 5 2018 by the Board of Management.</p>
<p>3.2 Declaration of the Persons responsible for the Information Memorandum</p>	<p>The undersigned, acting as duly authorised officer of Belfius Bank (the Issuer) under this Global multi-currency Certificates of Deposit (certificats de dépôt/depositobewijzen) programme (the "Programme"), having made all reasonable enquiries confirm that, to the best of their knowledge and belief:</p> <p>The information contained in this document, namely the information memorandum, relating to the Programme including any annex and any supplements thereto (the "Information Memorandum") contains all information with respect to itself and the Certificates of Deposit to be issued which is material in the context of the Programme;</p> <ul style="list-style-type: none"> • to our knowledge, the information contained in this document is true and accurate and does not contain any misrepresentation which would make it misleading. • the opinions and intentions expressed in the Information Memorandum and the supplements thereto are honestly held; and • there are no other facts the omission or occurrence of which would, in the context of the Programme and the issuance of Certificates of Deposit thereunder, make any of such information or the expression of any such opinions or intentions misleading. <p>In accordance with the terms of the Royal Decree of 14 October 1991 relating to <i>billets de trésorerie et certificats de dépôt / thesauriebewijzen en depositobewijzen</i>, as amended from time to time (the "Royal Decree"), the Issuer accepts responsibility for the information contained in the Information Memorandum and any future annex and supplement thereto, and acknowledges that it shall compensate any investor for the damage arising immediately and directly from the omission or falseness of information which Article 5 of the Law of 22 July 1991 relating to <i>billets de trésorerie et certificats de dépôt / thesauriebewijzen en depositobewijzen</i>, as amended from time to time, and Section II of Chapter II of the Royal Decree, require to be contained herein.</p>
<p>3.3 Date, Place of Signature, Signature</p>	<p>January 9 , 2019 Brussels, Belgium</p>

3.4 Independent Auditors of the Issuer, who have audited the accounts of the Issuer's Annual Report

Deloitte Bedrijfsrevisoren SC s.f.d. SCRL

Luchthaven Nationaal 1J

1930 Zaventem

Belgium This Information Memorandum should be read and construed in conjunction with the audited consolidated accounts of Belfius Bank for the years ended 31 December 2016 and 31 December 2017, including the reports of the statutory auditors in respect thereof which are incorporated by reference in this Information Memorandum. Such documents shall be incorporated in and form part of this Information Memorandum, save that any statement contained in a document which is incorporated by reference herein shall be modified or superseded for the purpose of this Information Memorandum to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Information Memorandum.

Copies of all documents incorporated by reference in this Information Memorandum may be obtained without charge from the offices of the Issuer.

The tables below set out the relevant page references for:

the (i) consolidated balance sheet, (ii) consolidated statement of income, (iii) consolidated cash flow statement, (iv) audit report on the consolidated accounts, (v) notes to the consolidated financial statements, (vi) non-consolidated balance sheet, (vii) non-consolidated statement of income and (viii) audit report on the non-consolidated accounts of Belfius Bank as set out in the 2016 and 2017 Annual Reports of Belfius Bank.

Information contained in the documents incorporated by reference other than information listed in the table below does not form part of this Information Memorandum. The non-incorporated parts of such documents are not relevant for the investor or are covered elsewhere in this Information Memorandum.

Belfius Bank SA/NV		
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**3.5 DISCLAIMER CLAUSES FOR
DEALER(S), IPA(S) AND
ARRANGER**

The Issuer has confirmed to the Arranger and the Dealer(s) that the information contained or incorporated by reference in this Information Memorandum is true and accurate in all material respects and not misleading and that there are no other facts the omission of which makes this Information Memorandum as a whole or any information contained or incorporated by reference herein misleading.

Each investor considering an investment under the Programme shall be deemed to have made its own independent investigation into the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer and thus, making its decision to invest, shall not rely, and shall be deemed not to have relied upon any information or advice whatsoever, regarding the Issuer, provided by the Dealer and/or the Domiciliary Agent.

No person is authorised by the Issuer, the Arranger or the Dealer(s) to give any information or to make any representation not contained in this Information Memorandum and any information or representation not contained at any time herein must not be relied upon as having been authorised.

No representation or warranty or undertaking, whether express or implied, is made and no responsibility or liability is accepted about the authenticity, origin validity, accuracy or completeness of, or any errors in or omissions from, any information or statement contained in the Information Memorandum or in or from any accompanying or subsequent agreement, document, material or presentation.

Each investor considering an investment under the Programme shall be deemed to have made its own independent investigation into the financial condition and affairs and its own appraisal of the creditworthiness of the Issuer and thus, making its decision to invest, shall not rely, and shall be deemed not to have relied upon any information or advice whatsoever, regarding the Issuer, provided by the Dealer(s) and/or the Domiciliary Agent.

Neither the Arranger nor any Dealer undertakes to review the business or financial condition or affairs of the Issuer during the life of the Programme, nor undertakes to advise any recipient of the Information Memorandum or change in such information coming to the Arranger's or Dealers' attention.

Neither the Arranger nor any Dealer accepts any liability in relation to this Information Memorandum or its distribution by any other person. This Information Memorandum does not, and is not intended to, constitute an offer, invitation or solicitation to any person to purchase Certificates of Deposit.

The Domiciliary Agent will, in connection with its appointment or under the Certificates of Deposit, act solely for and upon the instructions of the Issuer and the Dealer(s) and will incur no liability for or in respect of any action (not) taken by it pursuant to the Law and/or the Royal Decree, nor will they have any obligations towards, or a relationship of agency or trust with any of the holders or beneficial owners of or interests in, Certificates of Deposit.

The distribution of this Information Memorandum and the offering for sale of Certificates of Deposit or any interest in such Certificates of Deposit may be restricted by law. Persons obtaining this Information Memorandum or any Certificate of Deposit or any interest in such Certificate of Deposit or any rights in respect of such Certificates are required by the Issuer, the Arranger and the Dealer(s) to inform themselves about and to observe any such restrictions. In particular but without limitation, such persons are required to comply with the restrictions on offers or sales of Certificates of Deposit and on distribution of this Information Memorandum and other information relating to the Certificates of Deposit and the Issuer set out under the chapter "Selling Restrictions".

Where a reference is made to ratings, it should be noted that a rating is not a recommendation to buy, sell or hold securities and that a rating may be subject to suspension, reduction or withdrawal at any time by the relevant rating agency.

THE CERTIFICATES OF DEPOSIT HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT AND, SUBJECT TO CERTAIN EXCEPTIONS, MAY NOT BE OFFERED, SOLD OR DELIVERED WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, US PERSONS (AS DEFINED IN REGULATION S).

A communication of an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the "**FSM Act**")) received in connection with the issue or sale of any Certificate of Deposit will only be made in circumstances in which Section 21(1) of the FSM Act does not apply to the Issuer.

TERMS AND CONDITIONS OF CERTIFICATES OF DEPOSIT

Each Certificate of Deposit issued under the Programme, will be subject to the following terms and conditions (the “**Terms and Conditions**”).

The following terms are the full terms and conditions as stipulated in Article 5 § 5 of the Law (as defined below) and Article 16 § 1 of the Royal Decree, which (subject to completion and amendment) will be applicable to each series of Certificates of Deposit, provided that a Certificate of Deposit may have other terms and conditions which shall, to the extent so specified or to the extent inconsistent with these terms and conditions, replace the following terms and conditions for the purpose of such Certificate of Deposit. The specific terms relating to each Certificate of Deposit will be set out and notified in accordance with the item ‘Confirmation of the specific terms and conditions for a Certificate of Deposit’ below.

In accordance with Article 5 § 5 of the Law (as defined below), these Terms and Conditions are enforceable to the subscribers and acquirers of Certificates of Deposit issued under the Programme.

Issuer	Belfius Bank SA/NV having its registered office at Belgium, 1210 Brussels, Place Charles Rogier 11 and registered with the Crossroads Bank for Enterprises under number 0403.201.185
Programme	<p>A Belgian Global multi-currency short term and medium term Certificates of Deposit programme under which dematerialised Certificates of Deposit (<i>gedematerialiseerde depositobewijzen/certificats de dépôt dématérialisés</i>) may be issued in accordance with the Law and the Royal Decree.</p> <p>The Programme has been established for an undetermined period.</p>
Maximum Amount	<p>The Outstanding Amount of the Certificates will not exceed EUR 25,000,000,000 (or its equivalent in other currencies) at any time.</p> <p>“Outstanding Amount” means the aggregate amount of the Nominal Value or the Euro Equivalent thereof, of all Certificates of Deposit issued or contemplated to be issued under the Programme on any Issue Date.</p> <p>“Euro Equivalent” means for the purposes of calculating the Outstanding Amount, the Nominal Value of Certificates of Deposit, issued in a Foreign Currency converted into EUR at the exchange rate as published by the European Central Bank on the Issue Date for such Certificates of Deposit.</p>
Maturity of the Programme	<p>Undetermined.</p> <p>The Programme may be terminated by the Issuer at any time, provided that the present Terms and Conditions will remain in full force and effect with respect to Certificates of Deposit issued under the Programme for so long as such Certificates of Deposit shall remain outstanding.</p> <p>The Issuer will respect a 60 days prior written notice thereof to the Arranger, the Dealer(s) and the Domiciliary Agent.</p>
Dealer	<p>Belfius Bank SA/NV, having its registered office at 1210 Brussels, Place Charles Rogier 11, Belgium will act as dealer pursuant to a dealer agreement, dated on or about the date of this Information Memorandum, between the Issuer, the Arranger and the Dealer(s) (the “Dealer Agreement”).</p> <p>Other Dealers may be appointed under the Dealer Agreement.</p>

Domiciliary Agent	Belfius Bank SA/NV, having its registered office at 1210 Brussels, Place Charles Rogier 11, Belgium (the "Domiciliary Agent") will act as issuing and paying agent.
Form	<p>The Certificates of Deposit, to be issued under this Programme shall be dematerialised <i>gedematerialiseerde depositobewijzen/ certificats de dépôt dématérialisés</i> (herein individually a "Certificate of Deposit", collectively the "Certificates of Deposit") governed by the Law and the Royal Decree.</p> <p>The conversion of Certificates of Deposit into promissory, bearer or registered Certificates of Deposit shall not be permitted. The Certificates of Deposit shall be created only by way of book entry on the securities account of their purchasers with their Custodian (as defined below).</p> <p>"Law" means the law of 22 July 1991 concerning treasury notes and certificates of deposit (<i>thesauriebewijzen en depositobewijzen/billets de trésorerie et certificats de dépôt</i>), published in the <i>Official Gazette</i> of 21 September 1991, as amended from time to time.</p> <p>"Royal Decree" means the royal decree of 14 October 1991 relating to treasury notes and certificates of deposit (<i>thesauriebewijzen en depositobewijzen/billets de trésorerie et certificats de dépôt</i>) as published in the <i>Official Gazette</i> of 19 October 1991), as amended from time to time.</p>
Type	<p>Certificates of Deposit, issued under this Programme may be Discount Certificates of Deposit, Fixed Rate Certificates of Deposit, Floating Rate Certificates of Deposit and/or Zero-coupon Certificates of Deposit.</p> <p>"Discount Certificates of Deposit" means Certificates of Deposit with a Maturity shorter than or equal to one year that are issued on a discount basis and which will not bear interest until their Maturity Date.</p> <p>"Fixed Rate Certificates of Deposit" means Certificates of Deposit that generate periodical interest payments at a fixed rate.</p> <p>"Floating Rate Certificates of Deposit" means Certificates of Deposit that generate periodical interest payments at a floating rate.</p> <p>"Zero Coupon Certificates of Deposit" means Certificates of Deposit with a maturity longer than one year issued on a discount basis and not bearing interest until their Maturity Date.</p>
Specified Currency	<p>Certificates of Deposit may be denominated in any of the currencies of an O.E.C.D. member state (such currency the Certificates of Deposit are denominated in, the "Specified Currency"), under the condition that the currency is authorised by the Clearing System and subject to compliance with all applicable laws, regulations and requirements.</p> <p>"Euro", "euro", "EUR" or "€" denotes the single currency of the Member States of the European Union that adopt or have adopted the Euro as their lawful currency under the legislation of the European Community for Economic Monetary Union.</p> <p>"Foreign Currency" means the currency of any of the O.E.C.D. member states, save Euro.</p>
Denominations	The denominations have to comply with all legal and regulatory requirements. As at the date hereof, the minimum denominations amount to multiples of EUR 1,000 with a minimum of EUR 250,000 per Certificate. For issues in a Foreign Currency, minimum denominations amount to multiples of 1,000 in the Specified

	Currency with a minimum of an equivalent value of EUR 250,000 per Certificate in the Specified Currency.
Minimum Amount	<p>For issuances in euros, the Minimum Amount of the Certificates of Deposit may at no time whatsoever, be less than the minimum amount stipulated by or established in accordance with Article 4 of the Law and/or stipulated by or established in accordance with Article 6 of the Royal Decree).</p> <p>For issuances in a Foreign Currency, the Minimum Amount of the Certificates of Deposit may at Issue Date not be less than the equivalent of the minimum amount stipulated by or established in accordance with Article 4 of the Law and/or stipulated by or established in accordance with Article 6 of the Royal Decree.</p> <p>At present, the legal minimum amount is EUR 250,000.</p>
Maturity	<p>In relation to any Certificate of Deposit, the period from and including the Issue Date up to but excluding the Maturity Date.</p> <p>Certificates of Deposit may have any maturity with a minimum of 1 calendar day and maximum 1 year (<u>Type A Certificates</u>) or a maturity with a minimum of 1 year and 1 day (<u>Type B Certificates</u>) or a maturity of minimum 5 years (<u>Type C Certificates</u>), provided that the Maturity Date for any Certificate of Deposit may not surpass the legal existence of the Issuer (as specified in the Issuer's constitutional documents) and provided that such maturity is accepted by the Clearing System.</p> <p>Subordinated Certificates C that are included in or count towards the Tier 2 capital of the Issuer will have a minimum maturity of five years or such other minimum maturity as required by the Applicable Banking Regulation.</p>
Issue Price, Premium and Interest	<p>Unless as otherwise defined in the Investor and Issuer Confirmation Form, the Issue Price, Premium and Interest will be defined as follow:</p> <p><u>1. Discount Certificates of Deposit</u></p> <p>The issue price (the "Issue Price") for Discount Certificates of Deposit shall be calculated in accordance with the following formula:</p> $P = \frac{NV}{1 + \frac{(Y * D)}{N}}$ <p>where:</p> <p>P = Issue Price of the Discount Certificates of Deposit</p> <p>NV = Nominal Value of the Certificates of Deposit</p> <p>D = actual number of days between Issue Date (included) and Maturity Date (excluded) or such other basis that may be the market convention at the time of issue of a Discount Certificates of Deposit</p> <p>Y = implicit yield of the Discount Certificates of Deposit expressed as an annual percentage</p> <p>N = 360 or such other basis that may be the market convention at the time of issue of a Discount Certificate of Deposit</p>

2. Fixed Rate Certificates of Deposit

Fixed Rate Certificates of Deposit may be issued at par, at a discount to par or at a premium over par (the "**Issue Price**").

Fixed Rate Certificates will bear interest from the Issue Date (such date being included) until the Maturity Date or an earlier redemption date (such dates being excluded) at a rate, per annum, agreed between the Issuer and the Dealer(s), as set forth in the applicable Confirmation Form.

Interest on Fixed Rate Certificates of Deposit will be payable in arrears on the interest payment dates (the "**Interest Payment Dates**" as defined hereafter) and on the Maturity Date or upon earlier redemption date, as applicable.

The amount of interest payable for an Interest Period shall be calculated as follows:

$$I = NV \times R \times \text{Day Count Fraction}$$

where:

NV = Nominal Value of the Fixed Rate Certificates of Deposit

R = the rate of interest expressed as an annual percentage

Day Count Fraction = the actual number of days in the Interest Period (or such other number as may be determined as being the number of days during the same period based on the market practice for the relevant currency at the time of issue of the relevant Fixed Rate Certificate of Deposit) divided by the actual number of days in a year (or such other basis that may be market practice for the relevant currency at the time of issue of the Fixed Rate Certificate of Deposit).

3. Floating Rate Certificates of Deposit

Floating Rate Certificates of Deposit may be issued at par, at a discount to par or at a premium over par (the "**Issue Price**").

The interest rate of a Floating Rate Certificate of Deposit is equal to the reference rate ("**Reference Rate**") plus or minus the margin (the "**Margin**") and will be calculated from the Issue Date or from the relevant Interest Payment Date as applicable (such date being included) until the next Interest Payment Date, or the Maturity Date or an earlier redemption date (such dates being excluded).

"**Interest Determination Date**" means, with respect to a Rate of Interest and Interest Period, the date specified as such in the applicable Confirmation Form or, if none is so specified, (i) the day falling two TARGET Business Days prior to the first day of such Interest Period if the Specified Currency is eur or (ii) the first day of such Interest Accrual Period if the Specified Currency is Sterling or (iii) five London Business Days prior to the end of each Interest Period if the Specified Currency is Sterling and the Reference Rate is Sonia or (iv) on the Target Business Day following the end of each Interest Period if the Specified Currency is eur and the Reference Rate is EONIA or (v) the day falling two Business Days in London for the Specified Currency prior to the first day of such Interest Period if the Specified Currency is neither Sterling nor Euro.

The Certificates of Deposits where the Reference Rate is SONIA or EONIA may only be offered to eligible investors in an exempt securities accounts (a "**X-**

account") that has been opened with a financial institution that is a direct or indirect participant (a "**Participant**") in the Clearing System operated by NBB.

1) The Reference Rate will be the European Interbank Offered Rate (Euribor) or any other variable reference rate mutually acceptable to the parties as indicated in the relevant Confirmation Form.

The Margin will be agreed upon the Trade Date.

Both Reference Rate and Margin will be indicated in the relevant Confirmation Form.

Interest on Floating Rate Certificates of Deposit will be payable in arrears on the interest payment dates (the "**Interest Payment Dates**" as defined hereafter). The amount of interest payable for an Interest Period shall be calculated on the Interest Determination Date as follows:

$$I = NV \times R \times \text{Day Count Fraction}$$

where:

NV = Nominal Value of the Floating Rate Certificates of Deposit

R = the rate of interest applicable to such Interest Period expressed as an annual percentage. For each Interest Period, the interest rate will be calculated by the Domiciliary Agent on the terms mentioned in the Investor or Issuer Confirmation Form, by (i) determining the floating rate option and the designated maturity specified in the Investor or Issuer Confirmation Form and (ii) by adding to or subtracting from, as the case may be, such rate, the Margin mentioned in the Investor or Issuer Confirmation Form.

Day Count Fraction = the actual number of days in the Interest Period divided by 360, or on such other basis as may be market practice for the relevant currency at the time of issue of the Floating Rate Certificate of Deposit.

The interest rate of a Floating Rate Certificate of Deposit ("**Rate of Interest**") can be submitted to a minimum rate of interest ("**Minimum Rate of Interest**") or a maximum rate of interest ("**Maximum Rate of Interest**"), expressed as a decimal, equal to the per annum rate specified as such in the related Confirmation Form.

2) Where the Reference Rate indicated on the Confirmation Form is the EONIA , the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily EONIA plus or minus (as indicated in the applicable Confirmation Form) the Margin.

Compounded Daily EONIA means the rate of return of a daily compound interest investment (with the daily Euro Overnight Index Average-rate as reference rate for the calculation of interest) and will be calculated by the Domiciliary Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the nearest one ten-thousandth of a percentage point (0.0001%) , with 0.00005 being rounded upwards:

$$r = \left[\prod_{i=1}^{d_0} \left(1 + \frac{EONIA_i \times n_i}{360} \right) - 1 \right] \times \frac{360}{n}$$

where:

r is the Compounded Daily EONIA-rate

d_0 for any Interest Period, is the number of Target Business Days in the relevant Interest Period;

i is a series of whole numbers from one to d_0 , each representing the relevant TARGET Business Days in chronological order from, and including, the first TARGET Business Day in the relevant Interest Period;

$EONIA_i$, for any day “ i ” in the relevant Interest Period, is the EONIA reference rate in respect of that day;

n_i is the number of calendar days in the relevant Interest Period on which the rate is $EONIA_i$; n is the number of calendar days in the relevant Interest Period

Observation Period means the period from and including the start date of the Certificate of Deposit and ending on, but excluding, the final maturity date of the certificate of deposit;

The **EONIA reference rate**, in respect of any Target Business Day, is a reference rate equal to the daily Euro Overnight Index Average (“**EONIA**”) rate for such TARGET Business Day as provided by the European Central Bank and as then published on Reuters or Bloomberg EONIA-page or, if unavailable as otherwise published by such authorized distributors (on the Target Business Day immediately following such Target Business Day); and

If, in respect of any Target Business Day in the Observation Period, the Domiciliary Agent determines that the EONIA reference rate is not available on the Reuters or Bloomberg Eonia-page or has not otherwise been published by the relevant authorised distributors, such EONIA reference rate shall be: (i) the European Central Bank’s Rate (the “**Bank Rate**”) prevailing at close of business on the relevant Target Business Day.

Notwithstanding the paragraph above, in the event the European Central Bank publishes guidance as to (i) how the EONIA reference rate is to be determined; or (ii) any rate that is to replace the EONIA reference rate, the Domiciliary Agent shall, to the extent that it is reasonably practicable, follow such guidance in order to determine $EONIA_i$ for the purpose of the relevant Certificates of Deposit for so long as the EONIA reference rate is not available or has not been published

anymore by the authorised distributors.

3) Where the Reference Rate indicated on the Confirmation Form is the SONIA , the Rate of Interest for each Interest Period will, subject as provided below, be Compounded Daily SONIA plus or minus (as indicated in the applicable Confirmation Form) the Margin.

Compounded Daily SONIA means the rate of return of a daily compound interest investment (with the daily Sterling overnight reference rate as reference rate for the calculation of interest) and will be calculated by the Domiciliary Agent on the Interest Determination Date, as follows, and the resulting percentage will be rounded if necessary to the fifth decimal place, with 0.000005 being rounded upwards:

$$\left[\prod_{i=1}^{d_o} \left(1 + \frac{SONIA_{i-pLBD} \times n_i}{365} \right) - 1 \right] \times \frac{365}{d}$$

where:

d is the number of calendar days in the relevant Interest Period;

do is the number of London Business Days in the relevant Interest Period;

i is a series of whole numbers from one to do, each representing the relevant London Business Day in chronological order from, and including, the first London Business Day in the relevant Interest Period;

London Business Day means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

ni, for any day "i", means the number of calendar days from and including such day "i" up to but excluding the following London Business Day;

Observation Period means the period from and including the date falling 5 London Business Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Issue Date) and ending on, but excluding, the date falling 5 London Business Days prior to the Interest Payment Date for such Interest Period (or the date falling 5 London Business Days prior to such earlier date, if any, on which the Certificates of Deposit become due and payable);

The **SONIA reference rate**, in respect of any London Business Day, is a reference rate equal to the daily Sterling Overnight Index Average ("**SONIA**") rate for such London Business Day as provided by the administrator of SONIA to authorised distributors and as then published on Reuters Sonia or, if unavailable as otherwise published by such authorized distributors (on the London Business Day

immediately following such London Business Day); and

SONIAi-pLBD means, in respect of any London Business Day falling in the relevant Observation Period, the SONIA reference rate for the London Business Day falling 5 London Banking Days prior to the relevant London Banking Day “i”.

If, in respect of any London Business Day in the relevant Observation Period, the Domiciliary Agent determines that the SONIA reference rate is not available on the Reuters Sonia or has not otherwise been published by the relevant authorised distributors, such SONIA reference rate shall be: (i) the Bank of England’s Bank Rate (the “**Bank Rate**”) prevailing at close of business on the relevant London Business Day; plus (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the paragraph above, in the event the Bank of England publishes guidance as to (i) how the SONIA reference rate is to be determined; or (ii) any rate that is to replace the SONIA reference rate, the Domiciliary Agent shall, to the extent that it is reasonably practicable, follow such guidance in order to determine SONIAi for the purpose of the relevant Certificates of Deposit for so long as the SONIA reference rate is not available or has not been published by the authorised distributors.

4. Zero Coupon Certificates of Deposit

The issue price (“**Issue Price**”) for Zero Coupon Certificates of Deposit shall be calculated in accordance with the following formula:

$$P = \frac{NV}{(1+Y)^{\frac{D}{N}}}$$

where:

P = Issue Price of the Zero Coupon Certificates of Deposit

NV = Nominal Value of the Zero Coupon Certificates of Deposit

D = actual number of days between Issue Date (included) and Maturity Date (excluded) or such other basis that may be the market convention at the time of issue of a Zero Coupon Certificates of Deposit

N = actual number of days in a year or such other basis that may be the market convention at the time of issue of a Zero Coupon Certificates of Deposit

Y = implicit yield of the Zero Coupon Certificates of Deposit expressed as an annual percentage

Interest Period

(a) For Certificates with a fixed rate of interest:

means the period from and including an Interest Payment Date (or with respect to the first Interest Period, the Issue Date) up to, but excluding, the following Interest Payment Date, without taking into account, however any adjustment if

	<p>such Interest Payment Date is not a Business Day, as provided in the definition of Interest Payment Date below.</p> <p>(b) For Certificates with a floating rate of interest:</p> <p>means the period from and including an Interest Payment Date (or with respect to the first Interest Period, the Issue Date) up to, but excluding, the following Interest Payment Date – for the avoidance of doubt – taking into account any adjustment if such Interest Payment Date is not a Business Day.</p> <p>“Interest Payment Date” means a day determined in accordance with the following provisions, unless otherwise specified at the issue:</p> <p>(a) For Certificates with a fixed rate of interest:</p> <p>(i) the first Interest Payment Date (for the first interest payment) shall fall on the date of the first anniversary of the Issue Date of such Certificates;</p> <p>(ii) each subsequent Interest Payment Date (for any subsequent interest payments), if any, shall fall on the date of the anniversary in each year of the Issue Date of such Certificates;</p> <p>(iii) the final Interest Payment Date shall fall on and coincide with the Maturity Date of such Certificates or, as the case may be, the earlier redemption date as applicable.</p> <p>(iv) the “anniversary” of an Issue Date in each year shall mean the day falling in the same month as and numerically corresponding to the Issue Date of such Certificates.</p> <p>If any Interest Payment Date determined in accordance with the above provisions is not a Business Day, the Interest Payment Date shall be the next succeeding Business Day.</p> <p>(b) For Certificates with a floating rate of interest:</p> <p>(i) the first Interest Payment Date (for the first interest payment) shall fall on the date which is 1, 2, 3, 6 or 12 months or any other period as defined, after the Issue Date of such Certificates and each subsequent Interest Payment Date (for each subsequent interest payment) shall fall on the date which is respectively 1, 2, 3, 6 or 12 months, or any other period as defined, after the preceding Interest Payment Date;</p> <p>(ii) the final Interest Payment Date shall fall on and coincide with the Maturity Date of such Certificates or, as the case may be, the earlier redemption.</p> <p>If any Interest Payment Date determined in accordance with the above provisions is not a Business Day, the Interest Payment Date shall be the next succeeding Business Day.</p>
Final Redemption Amount	Unless otherwise agreed and confirmed in the Investor or Issuer Confirmation Form (see “Optional Redemption” here below), the Certificates of Deposit will be redeemed on the Maturity Date at the Nominal Value.
Optional	The Issuer and Investor Confirmation Form issued in respect of each issue of

Redemption	<p>Certificates of Deposit of Types A, B and C will state whether such Certificates of Deposit may be redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) or, in respect of each issue of Certificates of Deposit of Types A and B, at the option of the holders, and if so the terms applicable to such redemption.</p> <p>If so provided in the Investor Confirmation Form, the Issuer may subject, in the case of Subordinated Certificates, to compliance with any conditions prescribed under the Applicable Banking Regulation, including the prior approval of the Lead Regulator or the Relevant Resolution Authority (if required), on the Optional Redemption Date (as defined in the Investor Confirmation Form), redeem all or, if so provided, some of the Certificates in the principal amount or integral multiples thereof by giving irrevocable notice to the holders within the Option Period (as defined in the Investor Confirmation Form).</p> <p>If so provided in the Investor Confirmation Form, the Issuer shall (but, in the case of Subordinated Certificates, a redemption at the option of the holders is excluded), subject to compliance by the Issuer with all relevant laws, regulations and directives, at the option of the holder of any such Certificate, upon the holder of such Certificate giving irrevocable notice during the Option Period (as defined in the Investor Confirmation Form) to the Issuer, redeem such Certificate on the Optional Redemption Date so provided (as defined in the Investor Confirmation Form).</p> <p>The notices must be done in accordance with the paragraph “Notices”.</p> <p>Relevant Resolution Authority” means the Single Resolution Board established by Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 and/or any other authority entitled to exercise or participate in the exercise of the bail-in power from time to time (including the Council of the European Union and the European Commission when acting pursuant to Article 18 of the Single Resolution Mechanism Regulation).</p> <p>“Tier 2 capital” has the meaning given to it under the Applicable Banking Regulation as applied by the Lead Regulator from time to time.</p>
Early Redemption	<p>The Issuer may at its option and without the consent of the Holders of the Certificates, redeem all but not only some of the Certificates which would be subject to either of the new treatments described below (in no case earlier than 30 days before the effective date of such new treatment) upon Notice being given not less than 15 days prior to the redemption date:(i) Tax Event: If, as a result of any amendment to or any change in the laws or regulations of the Kingdom of Belgium or any political subdivision thereof or any authority or agency thereof or therein or in the interpretation or administration of any such laws or regulations which becomes effective on or after the Settlement Date, the Issuer would, on the occasion of the next payment date in respect of the Certificates held by a holder of a Certificate of Deposit belonging to one of the categories of investors as listed in article 4 of the Royal Decree of May 26, 1994, regarding the collection and the reallowance of withholding taxes, be required to pay additional amounts (see “Taxation”, “Grossing-Up”);</p> <p>(ii) Capital Disqualification Event: if the Issuer determines, in good faith, and after consultation with the Lead Regulator, that by reason of a change (or a prospective change which the Lead Regulator considers to be sufficiently certain) to the regulatory classification of the Subordinated Certificates of Deposit, at any time</p>

	<p>after the Issue Date, the Subordinated Certificates of Deposit cease (or would cease) to be included, in whole or in part, in or count towards the Tier 2 capital of the Issuer on a solo and/or consolidated basis (excluding, for these purposes, any non-recognition as a result of applicable regulatory amortisation in the five years immediately preceding maturity).</p> <p>(iii) MREL/TLAC Disqualification Event: if the Issuer determines, in good faith, and after consultation with the Lead Regulator, that by reason of a change (or a prospective change which the Lead Regulator considers to be sufficiently certain) to the MREL/TLAC classification of the Certificates of Deposit, at any time after the Issue Date, the Certificates of Deposit B or C cease (or would cease) to qualify as MREL/TLAC-eligible instruments under applicable MREL/TLAC Regulations on a solo and/or consolidated basis.</p> <p>In these cases, the Certificates will be redeemed :</p> <p>(i) in the case of Zero Coupon or Discount Certificate, at a price which is calculated according to the formulae given in “Issue Price”, “Premium” and “Interest”.</p> <p>Considering that, for the purpose of these formulae :</p> <ul style="list-style-type: none"> a) the issue price is to be understood as the redemption price ; b) the annual yield remains the issue yield; c) the exact number of days to take into account are those remaining between the early redemption date and the Maturity Date. <p>(ii) in the case of interest bearing Certificates, at their principal amount in the relevant currency together with accrued interest up to the date fixed for redemption.</p>
Nominal Value	<p>“Nominal Value” means the face value of the Certificates of Deposit.</p>
Business Day	<p>means (i) in relation to all Certificates other than those denominated in euro, a day (other than a Saturday or Sunday) on which (A) commercial banks and foreign exchange markets settle payments in Belgium and (B) commercial banks and foreign exchange markets settle payments in the principal financial centre of the country of the currency in which the relevant Certificates are denominated and (ii) in relation to Certificates denominated in euro, a day (other than a Saturday or Sunday) (A) on which banks and forex markets are open for general business in Belgium and (B) on which the Clearing System is operating and (C) (if a payment in euro is to be made on that day) which is a day on which the TARGET 2 System is operating (a “TARGET Business Day”), and in relation to both (i) and (ii) above, such other day as may be agreed between the Issuer and the relevant Dealer(s) and specified at issue.</p>
Business Day Convention	<p>Unless as otherwise defined in the Investor and Issuer Confirmation Form, the Business Day Convention will be defined as follow:</p> <p>a) For Discount Certificates of Deposit</p> <p>If the Maturity Date, or the Optional Redemption Date as applicable, would fall on a day that is not a Business Day, the Maturity Date or the Optional Redemption Date will be the first following day that is a Business Day, unless such day falls more than 1 calendar year after the Issue Date, in which case the Maturity Date</p>

	<p>or the Optional Redemption Date will be the first preceding day that is a Business Day.</p> <p>b) For Certificates with a fixed rate of interest:</p> <p>If the Maturity Date, or the Optional Redemption Date as applicable, would fall on a day that is not a Business Day, the Maturity Date or the Optional Redemption Date will be the first following day that is a Business Day.</p> <p>c) For Certificates with a floating rate of interest:</p> <p>If a Maturity Date, or the Optional Redemption Date as applicable, would fall on a day that is not a Business Day, such date shall be postponed to the next day that is a Business Day, without adjustment of the interest calculation period, or otherwise as defined.</p> <p>“Issue Date” means the date on which the Certificates of Deposit shall, in accordance with the rules of the Clearing System, be created and delivered by the Clearing Operator by way of book entry on the securities account of the purchasers of the Certificates of Deposit with their Custodian against payment of the Issue Price.</p> <p>“Maturity Date” means the date specified as such in the Investor Confirmation Form for such Certificate of Deposit and on which the principal of the Certificate of Deposit is scheduled to be fully redeemed.</p> <p>“Trade Date” means the date on which the Issuer and the Dealer(s) agree on a Certificate of Deposit Transaction (as defined in the Dealer(s) Agreement).</p> <p>“Optional Redemption Date” means the date on which the Certificates of Deposit are redeemed prior to their stated maturity at the option of the Issuer (either in whole or in part) or the holders, in accordance with the relevant Issuer or Investor Confirmation Form.</p>
Confirmation of the specific terms and conditions for a Certificate of Deposit	<p>In accordance with Article 16 §2 of the Royal Decree, a form will be sent to the purchaser of a Certificate of Deposit confirming the terms and conditions specific to an issue of Certificates of Deposit agreed upon between the Dealer(s) and the purchaser under the Programme (the “Investor Confirmation Form”).</p> <p>A form will be sent to the Issuer of a Certificate of Deposit confirming the terms and conditions specific to an issue of Certificate of Deposit agreed upon between the Issuer and the Dealer(s) under the Programme (the “Issuer Confirmation Form”).</p>
Reimbursement	<p>Any principal due to the holder of a Certificate of Deposit on a Maturity Date or on an Optional Redemption Date, as appropriate, shall be credited, on the basis of the amounts of the securities booked on its securities’ accounts with its Custodian, on its cash account with its Custodian, after deduction of withholding tax, if any.</p>
Late Payment	<p>Any amount remaining unpaid on the due date shall incur interest <i>ipso iure</i> and without previous notice on a day to day basis at the Applicable Default Rate (as defined hereafter) until the actual payment of all amounts due.</p> <p>“Applicable Default Rate” will be the rate equal to 0% per annum above the rate fixed by the European Central Bank (Main refinancing operations (fixed rate)). This rate is being revised by the E.C.B. on a regular basis and can be consulted on</p>

	www.ecb.int .
Events of Default	<p>If:</p> <p>(a) default in the payment of principal or interest in respect of the Certificates A, as and when such amounts shall become due and payable either at Maturity Date or Interest Payment Date, provided such default shall have continued for a period of 15 Business Days after the date on which such sum was due, except where such non-payment or late payment is due to any (in)action of the Domiciliary Agent, the Clearing Operator or disfunctioning of the Clearing System; or, the Issuer fails to duly observe or perform any other of the material undertakings contained herein and such failure is continuing for 15 Business Days after the date on which written notice of such failure requiring the Issuer to remedy the same shall have been addressed to the Domiciliary Agent by holders of any Certificates A at that time outstanding; or,</p> <p>(b) the Issuer takes any corporate action or other steps are taken or legal proceedings are started in a voluntary or involuntary winding-up, dissolution or in an involuntary reorganisation or for the appointing of a receiver, liquidator, administrator, trustee (or other similar official) of the Issuer or of any substantial part of its property; or,</p> <p>(c) the Issuer becomes insolvent or is declared insolvent by a competent jurisdiction, or stops, suspends or threatens to stop or suspend payment of all or a material part of its debt, or ceases or threatens to cease to carry on all or a material part of its business, or a moratorium is proposed, agreed or declared in respect of all or a material part of the indebtedness of the Issuer, or the Issuer commences a voluntary case or an order being presented under any applicable bankruptcy or insolvency law or any other similar law; or,</p> <p>(d) it becomes unlawful for the Issuer to perform any of its obligations under the Certificates A or any of its obligations ceases to be valid, binding or enforceable;</p> <p>then, in each and every such case, any holder of a Certificate A may, by written notice by registered letter to both the Issuer and to the Domiciliary Agent, cause such Certificate of Deposit to become immediately due and payable as from the date of such notice (the "Early Redemption Date") at an amount (the "Early Redemption Amount") determined as follows:</p> <ul style="list-style-type: none"> - If such defaulted Certificate of Deposit is a Discount Certificate of Deposit or a Zero Coupon Certificate of Deposit, at an amount calculated as in the item 'Issue Price' under <i>1. Discount Certificates of Deposit</i> or <i>4. Zero Coupon Certificates of Deposit</i>, whereby "P" would be the Early Redemption Amount and "D" would be the number of days between the Early Redemption Date, included, and the Maturity Date of the Certificate of Deposit (excluded). - If such defaulted Certificate of Deposit is a Fixed Rate or Floating Rate Certificate of Deposit, at its Nominal Value plus accrued interest. <p>Notwithstanding the above, there are no events of default (other than in the event of a dissolution or liquidation of the Issuer) allowing acceleration of the Certificates B or C if certain events occur. Accordingly, if the Issuer fails to meet any obligations under the Certificates B or C for recovery of amounts owing in respect of any payment of principal or interest on the Certificates of Deposit will be the institution of proceedings for the dissolution or liquidation of the Issuer in</p>

	Belgium.
Status	<p>Status of Certificates A and B</p> <p>The Certificates A and B constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer as defined in article 389/1, 1° of the Belgian Banking Law and rank and will rank at all times <i>pari passu</i> amongst themselves and equally with all other present and future unsecured and unsubordinated loan indebtedness of the Issuer as described in article 389/1, 1° of the Belgian Banking Law (except for those which are preferred by operation of law).</p> <p>Status of Certificates C</p> <p>The Certificates C in respect of which the status is specified hereon as “Subordinated” (“Subordinated Certificates of Deposit”) and the receipts and coupons relating to them constitute direct, unsecured and subordinated obligations of the Issuer and shall at all times rank <i>pari passu</i> and without any preference among themselves. .</p> <p>In the event of dissolution or liquidation of the Issuer (including the following events creating a “<i>samenloop van schuldeisers/concours de créanciers</i>”: bankruptcy (“<i>faillissement/faillite</i>”), judicial liquidation (“<i>gerechtelijke vereffening/liquidation forcée</i>”) or voluntary liquidation (“<i>vrijwillige vereffening/liquidation volontaire</i>”) (other than a voluntary liquidation in connection with a reconstruction, merger or amalgamation where the continuing corporation assumes all the liabilities of the Issuer), the rights and claims of the holders of Certificates C against the Issuer shall be for an amount equal to the principal amount of each Certificate C together with any amounts attributable to such Certificates C and shall rank:</p> <p>(a) subject to any obligations which are mandatorily preferred by law, junior to the claims of (1) depositors and all other unsubordinated creditors and (2) all Eligible Creditors of the Issuer;</p> <p>(b) <i>pari passu</i> without any preference among themselves and <i>pari passu</i> with any other obligations or instruments of the Issuer that rank or are expressed to rank equally with the Certificates C ; and</p> <p>(c) senior and in priority to (1) the claims of holders of all classes of share or other equity capital (including preference shares) of the Issuer, (2) the claims of holders of all obligations or instruments of the Issuer which, upon issue, constitute or constituted Tier 1 capital of the Issuer, and (3) the claims of holders of any other obligations or instruments of the Issuer that rank or are expressed to rank junior to the Certificates C.</p> <p>Defined Terms</p> <p>In this Condition:</p> <p>“Eligible Creditors”</p> <p>Eligible Creditors means creditors holding claims that, in accordance with their terms, rank or are expressed to rank senior to the Certificates C.</p>

	<p>“Tier 1 capital”</p> <p>Tier 1 capital has the meaning given to it under the Applicable Banking Regulation as applied by the Lead Regulator.</p>
Waiver of set-off	<p>Subject to applicable law, no Holder of Certificates B and C may exercise or claim any right of set-off in respect of any amount owed to it by the Issuer arising under or in connection with the Certificates B and C and each Holder of Certificates B and C shall, by virtue of his subscription, purchase or holding of a Certificate B and C, be deemed to have waived all such rights of set-off.</p>
Repurchase and Cancellation	<p>The Issuer may at any time purchase Certificates of Deposit, (but, in the case of Subordinated Certificates of Deposit, subject to consent thereto having been obtained from the Lead Regulator) provided that such purchase is made by the Domiciliary Agent acting for the Issuer and provided that such Certificates of Deposit are cancelled, without prejudice to the right of the Issuer to issue new Certificates of Deposit within the limits of the Maximum Amount.</p>
Lead Regulator	<p>Means the NBB, European Central Bank or any successor entity primarily responsible for the prudential supervision of the Issuer.</p>
Rating	<p>The Programme has been rated as follows:</p> <ul style="list-style-type: none"> - Standard & Poor’s has assigned the following ratings to the Certificates to be issued under the Programme: A- for debt maturing in one year or more, A-2 for debt maturing in one year or less and BBB for subordinated debt; - Moody’s has assigned the following ratings to the Certificates to be issued under the Programme: (P)P-1 for senior certificates up to 1 year, (P)A2 for senior unsecured certificates with a maturity of more than 1 year and (P)Baa3 for senior subordinated certificates; - Fitch has assigned the following ratings to the Certificates to be issued under the Programme: F2 for short term senior certificates and A- for long term senior certificates.
Secondary Market	<p>Whenever an investor wishes to sell a Certificate of Deposit before its Maturity Date, each of the Dealers shall try, on a best effort basis and without any commitment whatsoever on its part, to find one or more purchasers for such Certificate of Deposit.</p> <p>Each investor is allowed to sell one or several Certificates of Deposit it owns provided that such sale may not result in an investor holding Certificates of Deposit in an amount less than the Minimum Amount.</p> <p>With regard to the Certificates of Deposit denominated in Foreign Currency, article 2, §2 of the royal decree of 14 June 1994 fixing the rules applicable to holding on account dematerialised securities which are denominated in a foreign currency or in currency units other than Euro (published in the Official Gazette of 17 June 1994) as amended from time to time, stipulates that no transaction may occur on a value date falling one Business Day or less before an Interest Payment or before the Maturity Date.</p>
Listing	<p>Certificates under this Programme will not be listed on any market, regulated or non regulated.</p>

Notices	<p><u>1. To the holders of Certificates of Deposit</u></p> <p>Any notice to holders of Certificates of Deposit shall be validly given if</p> <p>(i) made by (a) direct mail to the holder of a Certificate of Deposit having a securities account or to the Custodian or (b) by a notice through the intermediary of the Clearing Operator, or</p> <p>(ii) published once in two leading financial Belgian newspapers (which are expected to be <i>L'Echo</i> and <i>De Tijd</i>) or, if this is not practicable, in one or two other leading French and/or Dutch language newspapers with general circulation in Belgium.</p> <p>The notice under paragraph (i) above shall be deemed to have been made upon delivery thereof to, for the purpose of option (a), holder of a Certificate of Deposit having a securities account or to the Custodian or, for the purpose of option (b), to the Clearing Operator. If any such publication is not practicable, notice shall be validly given if published in another leading daily English language newspaper with general circulation in Europe.</p> <p>The notice under paragraph (ii) above shall be deemed to have been given on the date of publication or, if published on more than one date or on different dates, on the first date on which such publication shall have been made.</p> <p><u>2. To the Issuer or to the Domiciliary Agent</u></p> <p>Notices to the Issuer or to the Domiciliary Agent will be made to their respective registered offices by registered mail, or e-mail (immediately confirmed by registered mail) and addressed for the attention of or to the person designated by that party for that purpose, as set out on the last page of the Information Memorandum.</p> <p>A notice given to the Issuer or to the Domiciliary Agent is deemed to have been made upon delivery or 3 Business Days after being sent by registered mail in a correctly addressed envelope.</p>
Governing Law and Jurisdiction	<p>The Certificates of Deposit shall be governed by Belgian law. Any disputes in connection with the Certificate of Deposit shall be brought before the competent Courts of Brussels.</p>
Delivery and Payment	<p>The Certificates of Deposit shall, in accordance with the rules of the Clearing System, be created and delivered by the Clearing Operator by way of book entry on the securities account of the purchasers of the Certificates of Deposit with their Custodian against payment of the Issue Price.</p> <p>The Certificates of Deposit will be cleared and settled through the securities settlement system operated by the National Bank of Belgium. Delivery is also possible through other clearing systems. A list of CSD's having an investor link with NBB-SSS is available at following internet address: https://www.nbb.be/nl/list-nbb-investor-icsds</p> <p>"Clearing System" means the securities settlement system recognised or approved in accordance with Articles 3 to 13bis of the Law of 2 January 1991 on the market of public debt securities and the monetary policy instruments as amended from time to time, the Law of 6 August 1993 as amended from time to time and its implementing decrees as amended from time to time. The securities settlement system operated by the NBB was recognised as such by a Royal Decree of 14 June 1994.</p> <p>"Clearing Operator" means the entity entitled by law to operate the Clearing</p>

	<p>System and with whom the Issuer and the Domiciliary Agent have concluded an agreement for the provision of services relating to the issuance of dematerialised Certificates of Deposit (<i>overeenkomst tot diensverlening inzake de uitgifte van gedematerialiseerde depositobewijzen/convention de services relatif à l'émission de certificats de dépôt</i>) (the "Clearing Agreement"), currently NBB.</p> <p>"Custodian" means any direct or indirect participant in the Clearing System with whom a holder of Certificates of Deposit is evidenced by book-entry. Participants in the Clearing System of NBB include most Belgian banks and stock brokers, Euroclear Bank S.A./N.V. as operator of the Euroclear System ("Euroclear"), Clearstream Banking, <i>société anonyme</i> ("Clearstream, Luxembourg") and several banks established in a Member State of the European Union.</p> <p>"NBB" means the National Bank of Belgium (<i>Nationale Bank van België N.V./S.A. Banque Nationale de Belgique</i>), having its registered office at boulevard de Berlaimont 14, 1000 Brussels, Belgium.</p>
Taxation, Grossing-up	<p>All payments of principal and interest in respect of the Certificates of Deposit will be made without deduction or withholding for, or because of, taxes or duties of whatever nature imposed or levied by, or on behalf of the Kingdom of Belgium, or any political subdivision thereof or any authority or agency therein or thereof having power to tax, provided the holder of a Certificate of Deposit is an Exempted Investor (as defined below) and holds such Certificate of Deposit through an Exempt Account, on which the payments are credited, unless such deduction or withholding is required by subsequent legislation.</p> <p>If, as a result of any change in the laws or regulations of the Kingdom of Belgium or any of its political subdivisions after the issuance of any Certificates, a deduction or withholding for or on account of any tax were required to be made from payments of interest or principal to be made by or on behalf of the Issuer in respect of such Certificates held by Investors who, under the provisions referred above as they were in effect on the Issue Date of such Certificates, were holding the securities on an X-account, then the Issuer shall pay such Additional Amount in respect of such Certificates as is necessary in order for the net amount received by the Investor after such deduction or withholding to be equal to the amount which it would have received absent such deduction or withholding. The Issuer has no obligation to pay such Additional Amount for any tax in any other circumstance.</p> <p>If the holder of Certificates of Deposit holds the Certificates of Deposit on an N-Account, all payments of principal and interest in respect of the Certificates will be made after deduction of Belgian withholding tax by the Clearing Operator, as appropriate. In such case, no Additional Amounts (as defined) shall be payable by the Issuer.</p> <p>In the case of a deduction or withholding, the Issuer will <u>not</u> pay such additional amount ("Additional Amount") as may be necessary to the effect that the net amounts received by the holders of Certificates of Deposit after such deduction or withholding shall equal the respective amounts which would have been receivable under the Terms and Conditions of the Certificates of Deposit by the holders of Certificates of Deposit in the absence of such deduction or withholding.</p> <p>At the date of this Information Memorandum, no stamp duty (<i>Taks op Beursverrichtingen/ Taxe sur les opérations de bourse</i>) is due in respect of the Certificates of Deposit.</p> <p>Without prejudice to the foregoing, the investor shall bear any tax, duty, charge</p>

	<p>or fiscal liability which may arise in connection with its acquisition, holding or disposal of the Certificates of Deposit.</p> <p>“Exempt Accounts” or “X-Accounts” are securities accounts opened with a Custodian in the name of persons or institutions defined in Article 4 of the Royal Decree of 26 May 1994 relating to the levy and the bonification of withholding tax in accordance with chapter I of the Law of 6 August 1993 relating to transactions in certain securities, as amended from time to time.</p> <p>“Non-Exempt Accounts” or “N-Accounts” are securities accounts opened with a Custodian in the name of persons or institutions that are not Exempted Investors.</p> <p>“Exempted Investor” means a person or institution mentioned in Article 4 of the Royal Decree of 26 May 1994 relating to the levy and the bonification of withholding tax in accordance with chapter I of the Law of 6 August 1993 relating to transactions in certain securities, as amended from time to time.</p>
Investors and Selling Restrictions	<p>In Belgium, provided that:</p> <ul style="list-style-type: none"> (i) the Programme is admitted in the Clearing System, (ii) the Certificates of Deposit are booked on a securities account of their purchasers with a Custodian and, (iii) the Minimum Amount is respected, <p>Certificates of Deposit may be offered or sold to any investor.</p> <p>In addition, the Certificates of Deposit may be purchased, offered or sold in jurisdictions other than Belgium only in compliance with applicable laws and regulations of these jurisdictions and/or of the home countries of the relevant currencies in which they are purchased, offered or sold. No action has been or will be taken by the Issuer or the Dealer(s) that would permit a public offering of the Certificates of Deposit in any country or any jurisdiction where action for that purpose is required. Potential investors are required to inform themselves of, and to comply with, all applicable laws and regulations of such jurisdictions and will accept responsibility accordingly.</p> <p>See also the chapter Selling Restrictions.</p>
Benchmark replacement	<p>If the Issuer determines that a Benchmark Event occurs in relation to the applicable reference rate (the “Reference Rate”) when any rate of interest (or the relevant component part thereof) remains to be determined by reference to such Reference Rate, then the following provisions shall apply to the relevant Notes:</p> <ul style="list-style-type: none"> (i) the Issuer shall use reasonable endeavours, as soon as reasonably practicable, to appoint and consult with an Independent Adviser with a view to the Issuer determining (without any requirement for the consent or approval of the holders of the Certificates) (A) a Successor Rate (as defined below) or, failing which, an Alternative Reference Rate (as defined below), for purposes of determining the Rate of Interest (or the relevant component part thereof) applicable to the Certificates and (B) in either case, an Adjustment Spread (as defined below);

	<p>(ii) if the Issuer is unable to appoint an Independent Adviser prior to the IA Determination Cut-Off Date, the Issuer (acting in good faith and in a commercially reasonable manner) may still determine (A) a Successor Rate or, failing which, an Alternative Reference Rate and (B) in either case, an Adjustment Spread in accordance with this Condition if a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) is determined in accordance with paragraphs (i) or (ii) above, such Successor Rate or, failing which, Alternative Reference Rate (as applicable) shall be the Reference Rate (as applicable) for each of the future Interest Periods (subject to the subsequent operation of, and to adjustment as provided herein);</p> <p>(iii) if the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines a Successor Rate or, failing which, an Alternative Reference Rate (as applicable) in accordance with the above provisions, the Issuer may (without any requirement for the consent or approval of the holders of Certificates) also specify changes to these Terms and Conditions, including but not limited to the method for determining the fall-back rate in relation to the Notes, in any such case in order to ensure the proper operation of such Successor Rate or Alternative Reference Rate or any Adjustment Spread (as applicable). If the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines that an Adjustment Spread is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) and determines the quantum of, or a formula or methodology for determining, such Adjustment Spread, then such Adjustment Spread shall be applied to the Successor Rate or the Alternative Reference Rate (as applicable). If the Issuer is unable to determine the quantum of, or a formula or methodology for determining, such Adjustment Spread, then the Successor Rate or Alternative Reference Rate (as applicable) will apply without an Adjustment Spread; and</p> <p>(iv) the Issuer shall promptly, following the determination of any Successor Rate, Alternative Reference Rate or Adjustment Spread (as applicable), give notice thereof to the holders of the Certificates. Such notice shall specify the effective date(s) for such Successor Rate or Alternative Reference Rate (as applicable), the Adjustment Spread (if any) and any consequential changes made to these Terms and Conditions (if</p>
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any),

provided that the determination of any Successor Rate, Alternative Reference Rate or Adjustment Spread (as applicable) and any other related changes to the Certificates, shall be made in accordance with the relevant Applicable Banking Regulations (if applicable).

An Independent Adviser appointed pursuant to this provision shall act in good faith as an expert and (in the absence of bad faith or fraud) shall have no liability whatsoever to the holders of the Certificates for any advice given to the Issuer in connection with any determination made by the Issuer pursuant to this provision.

Notwithstanding any other provision, no Successor Rate, Alternative Reference Rate or Adjustment Spread (as applicable) will be adopted, and no other amendments to the Terms and Conditions will be made pursuant to this provision, if, and to the extent that, in the determination of the Issuer, the same could reasonably be expected to result in a change in the regulatory classification of the Certificates giving rise to a Capital Disqualification Event (in the case of Subordinated Certificates) or a MREL/TLAC Disqualification Event (in the case of Certificates B or C).

For the purposes of this provision:

“Adjustment Spread” means a spread (which may be positive or negative) or formula or methodology for calculating a spread, which the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is required to be applied to the Successor Rate or the Alternative Reference Rate (as applicable) in order to reduce or eliminate, to the extent reasonably practicable in the relevant circumstances, any economic prejudice or benefit (as applicable) to the holders of Certificates as a result of the replacement of the Reference Rate with the Successor Rate or the Alternative Reference Rate (as applicable) and is the spread, formula or methodology which:

- (v) in the case of a Successor Rate, is formally recommended in relation to the replacement of the Reference Rate with the Successor Rate by any Relevant Nominating Body; or
- (vi) in the case of a Successor Rate for which no such recommendation has been made or in the case of an Alternative Reference Rate, the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is recognised or acknowledged as being in customary market usage in international debt capital markets transactions

	<p>which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or</p> <p>(vii) if no such customary market usage is recognised or acknowledged, the Issuer, following consultation with the Independent Adviser (if any) and acting in good faith, determines is recognised or acknowledged as being the industry standard for over-the-counter derivative transactions which reference the Reference Rate, where such rate has been replaced by the Successor Rate or the Alternative Reference Rate (as applicable); or</p> <p>(viii) if no such industry standard is recognised or acknowledged, the Issuer, in its discretion, following consultation with the Independent Adviser (if any) and acting in good faith, determines to be appropriate.</p> <p>“Alternative Reference Rate” means the rate that the Issuer determines has replaced the relevant Reference Rate in customary market usage in the international debt capital markets for the purposes of determining rates of interest (or the relevant component part thereof) in respect of bonds denominated in the Specified Currency and of a comparable duration to the relevant Interest Period, or, if the Issuer determines that there is no such rate, such other rate as the Issuer determines in its discretion is most comparable to the relevant Reference Rate or Mid-Swap Rate (as applicable).</p> <p>“Benchmark Event” means:</p> <p>(ix) the relevant Reference Rate ceasing to be published for a period of at least five Business Days or ceasing to exist; or</p> <p>(x) a public statement by the administrator of the relevant Reference Rate stating that it will, by a specified date within the following six months, cease to publish the relevant Reference Rate, permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the relevant Reference Rate); or</p> <p>(xi) a public statement by the supervisor of the administrator of the relevant Reference Rate stating that the relevant Reference Rate has been or will be, by a specified date within the following six months, permanently or indefinitely discontinued; or</p> <p>(xii) a public statement by the supervisor or the administrator of the relevant Reference Rate that means that the relevant Reference</p>
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	<p>Rate will be prohibited from being used within the following six months; or</p> <p>“IA Determination Cut-Off Date” means no later than five Business Days prior to the relevant Interest Determination Date relating to the next succeeding Interest Period.</p> <p>“Independent Adviser” means an independent financial institution of international repute or other independent financial adviser experienced in the international debt capital markets, in each case selected and appointed by the Issuer at its own expense.</p> <p>“Relevant Nominating Body” means, in respect of a Reference Rate:</p> <ul style="list-style-type: none"> (xiii) the central bank for the currency to which the Reference Rate relates, or any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate; or (xiv) any working group or committee sponsored by, chaired or co-chaired by or constituted at the request of (A) the central bank for the currency to which the Reference Rate relates, (B) any central bank or other supervisory authority which is responsible for supervising the administrator of the Reference Rate, (C) a group of the aforementioned central banks or other supervisory authorities or (D) the Financial Stability Board or any part thereof. <p>“Successor Rate” means the rate that the Issuer determines is a successor to, or replacement of, the Reference Rate which is formally recommended by any Relevant Nominating Body.</p>
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SELLING RESTRICTIONS

1. General

The Issuer and each Dealer represents, warrants and agrees that it will observe all applicable laws and regulations in any jurisdiction in which it may offer, sell or deliver Certificates of Deposit and it will not directly or indirectly offer, sell, resell, re-offer or deliver Certificates of Deposit or distribute any disclosure document (including but not limited to the Information Memorandum), offering circular, advertisement or other offering material in any country or jurisdiction except under circumstances that will result, to the best of its knowledge and belief, in compliance with all applicable laws and regulations.

Potential purchasers will undertake to comply with all applicable laws and regulations of such jurisdictions and will accept responsibility accordingly.

More specifically, but without limitation, potential purchasers are hereby informed that:

2. Belgium

In Belgium, there are no restrictions in respect of the purchase and transfer of the Certificates of Deposit other than (i) that the Certificates of Deposit are to be kept at all times on a securities account with a Custodian, and (ii) no issuance or transfer of Certificates of Deposit may result in any investor holding Certificates of Deposit less than the minimum amount stipulated by or established in accordance with Article 4 of the Law and/or stipulated by or established in accordance with Article 6 of the Royal Decree.

The Certificates of Deposits where the Reference Rate is SONIA or EONIA may only be offered to eligible investors in an exempt securities accounts (a “**X-account**”) that has been opened with a financial institution that is a direct or indirect participant (a “**Participant**”) in the Clearing System operated by NBB.

3. United States of America

*The Certificates of Deposit have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”) and the Certificates of Deposit may not be offered or sold within the United States. The Issuer and each Dealer represents and agrees that it has offered and sold, and will offer and sell, Certificates of Deposit only outside the United States in accordance with Rule 903 of Regulation S under the Securities Act (“**Regulation S**”). Accordingly, the Issuer and each Dealer represents and agrees that neither it, nor its affiliates nor any person acting on its or their behalf has engaged or will engage in any directed selling efforts with respect to the Certificates of Deposit. Terms used in this paragraph have the meanings given to them by Regulation S.*

4. The United Kingdom

The Issuer and each Dealer represents, warrants and agrees that:

- a. it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of its business; and
- b. it has not offered or sold and will not offer or sell any Certificates of Deposit other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses where the issue of the Certificates of Deposit would otherwise constitute a

contravention of Section 19 of the Financial Services and Markets Act 2000 (the “**FSM Act**”) by the Issuer;

c. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSM Act) received by it in connection with the issue or sale of any Certificates of Deposit in circumstances in which section 21(1) of the FSM Act does not apply to the Issuer; and

d. it has complied and will comply with all applicable provisions of the FSM Act with respect to anything done by it in relation to such Certificates of Deposit in, from or otherwise involving the United Kingdom.

5. Japan

The Issuer and each Dealer acknowledges that the Certificates of Deposit have not been and will not be registered under the Financial Instruments and Exchange Act (Act. Nr. 25 of 1948) of Japan (the “**Financial Instruments and Exchange Act**”) and, accordingly, the Issuer and each Dealer undertakes that it will not offer or sell any Certificates of Deposit, directly or indirectly, in Japan or to, or for the benefit of, any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For these purposes “**Japanese Person**” means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

TAXATION

The information provided below does not purport to be a complete summary of Belgian tax laws and practices currently applicable. This summary is based on Belgian tax laws and practice in effect on the date of this Information Memorandum, which are subject to change, potentially with retrospective effect. Potential investors who are in any doubt as to their tax position should consult with their own professional adviser.

1. DESCRIPTION OF THE BELGIAN TAXATION SYSTEM

1.1. Withholding tax

Under current Belgian withholding tax legislation, all interest (including the part of the capital gain realised upon redemption of the debt securities by the Issuer) paid through a Belgian intermediary is generally subject to Belgian withholding tax on the gross amount of the interest, currently at the rate of 30%.

Dematerialised certificates of deposit issued under the Law of 22 July 1991 relating to treasury notes and certificates of deposit (*certificats de dépôt / thesauriebewijzen*) will be cleared in the clearing system of the National Bank of Belgium. Consequently, they shall benefit from the application of the law of 6 August 1993 on the transactions on certain securities, as amended, and the royal decrees of 26 May 1994 and 14 June 1994, all as amended from time to time.

Hence, the withholding tax regime in Belgium in relation to the treasury notes and certificates of deposit will be governed by the following principles:

1.1.a. X-Accounts and N-Accounts

Certificates of deposit shall be booked on the securities account of the investor(s) with its (their) Custodian, which securities account will be either an X-Account or an N-Account

Exempt Accounts or **X-Accounts** are securities accounts opened in the name of persons or institutions, defined in article 4 of the Royal Decree of 26 May 1994 as amended from time to time, benefiting from an exemption from withholding tax.

Each person or institution qualifying to hold such an Exempt Account shall upon the opening of such an account provide its Custodian with a certificate – established in a form approved by the Belgian Minister of Finance – stating that it belongs to one of the categories as set out in article 4 of the Royal Decree of 26 May 1994 as amended from time to time. It shall immediately inform its Custodian of any changes in the information contained in the certificate.

These identification requirements do not apply to Treasury Notes held in central securities depositaries as defined in Article 2, 1st paragraph, (1) of the Regulation N° 909/2014 (“CSDR”) acting as Participants to the Securities Settlement System and to their sub-participants outside of Belgium, provided that these institutions or sub-participants only hold X-Accounts and that they are able to identify the account holder. For the identification requirements not to apply, it is furthermore required that the contracts which were entered into by the Participants and their sub-participants include the commitment that all their clients, holder of account, are Exempted Investor.

In the event that a person or institution ceases to be an Exempted Investor, its securities account will become an N-Account.

Non-exempt Accounts or **N-Accounts** are securities accounts opened in the name of persons or institutions that do not qualify to hold an X-Account and for which withholding tax applies.

1.1.b. Payments of principal and interest

All payments of principal and interest in respect of the Certificates of Deposit will be made:

- without withholding tax if the certificate(s) of deposit is (are) held on an X-Account;
- after deduction of a withholding tax of 30% if the certificate(s) of deposit is (are) held on a N-Account.

1.1.c. *Exempted Investors*

The following persons or institutions (as defined in article 4 of the Royal Decree of 26 May 1994, as amended from time to time) are entitled to hold certificates of deposit in an Exempt Account:

- (a) Belgian resident companies subject to Belgian corporate income tax;
- (b) institutions, associations or companies specified in article 2, §3 of the law of 9 July 1975 on the control of insurance companies other than those referred to in 1° and 3° subject to the application of article 262, 1° and 5° of the Income Tax Code of 1992 state regulated institutions for social security or assimilated ("*institutions parastatales*", "*parastatalen*");
- (c) mutual investment funds approved for pension savings scheme;
- (d) non-resident individual investors and non-resident legal entities who have not allocated the treasury notes and certificates of deposit to the exercise of a professional activity in Belgium;
- (e) non-resident companies subject to non-resident corporate income tax, whether or not they have allocated treasury notes and certificates of deposit to a permanent establishment in Belgium;
- (f) the Belgian State, for its investments exempt from withholding tax, pursuant to article 265 of the Belgian Income Tax Code;
- (g) foreign mutual investment funds, which form an undivided estate managed by a management company for the account of the participants, provided that the participation certificates are not offered publicly in Belgium and are not traded in Belgium;
- (h) Belgian resident companies not referred to under (a) and whose exclusive or principal activity is granting loans;
- (i) only for the revenues of the debt securities issued by legal persons that are part of the public sector within the meaning of the European system of national and regional accounts (ESA), for the application of Council Regulation (EC) No 3605/93 of 22 November 1993 on the application of the Protocol on the excessive deficit procedure annexed to the Treaty establishing the European Community, the legal persons that are part of the aforementioned public sector.

1.2. *Belgian Income tax and Capital Gains*

1.2.a. *Belgian Resident Individuals*

The Belgian withholding tax of 30%, levied by the National Bank of Belgium on any interest income obtained on the certificates of deposit held on an N-account, constitutes the final taxation, meaning that the Belgian resident individuals do not have to declare the interest income in their personal income tax return.

Belgian resident individuals are not liable to income tax on capital gains realised upon the disposal of the certificates of deposit (other than the part of the sales price attributable to the pro rata interest component which qualifies as interest income), provided that the certificates of deposit have not

been allocated to their professional activity and that the capital gain is realised within the framework of the normal management of their private estate.

1.2.b. *Belgian Resident Corporations*

Holders of certificates of deposit that are residents of Belgium and subject to Belgian corporate income tax, are liable to corporate income tax on the income of the certificates of deposit and capital gains realised upon the disposal of the certificates of deposit. Capital losses realised upon the disposal of the certificates of deposit are generally tax deductible.

1.2.c. *Belgian Resident Legal Entities*

For holders of certificates of deposit that are residents of Belgium and subject to Belgian legal entities income tax, the withholding tax of 30% levied on the interest will constitute the final tax in their hands. If no withholding tax was levied due to the fact that they hold the certificates of deposit through an X-Account in the Clearing System or with a Custodian, they will have to declare such interest and pay spontaneously the applicable withholding tax to the Belgian Treasury.

Belgian legal entities are not liable to income tax on capital gains realised upon the disposal of the certificates of deposit (other than the part of the sales price attributable to the *pro rata* interest component which qualifies as interest income).

1.2.d. *Non-Residents of Belgium*

Holders of certificates of deposit that are non-residents of Belgium for Belgian tax purposes and are not holding the certificates of deposit through a Belgian establishment and do not invest the certificates of deposit in the course of their Belgian professional activity will not incur or become liable for any Belgian tax on income or capital gains (save as the case may be, in the form of withholding tax) by reason only of the acquisition, ownership or disposal of the certificates of deposit.

Stamp duties

Article 126¹ 9° of the Code of Miscellaneous Taxes and Duties exempts all transactions involving treasury notes or certificates of deposit from the Belgian Tax on Stock Exchange Transactions (*taks op beursverrichtingen / taxe sur les opérations de bourse*).

2. EXCHANGE OF INFORMATION

Under the Common Reporting Standard (CRS), financial institutions resident in a CRS country are required to report, according to a due diligence standard, financial information with respect to reportable accounts, which includes interest, dividends, account balance or value, income from certain insurance products, sales proceeds from financial assets and other income generated with respect to assets held in the account or payments made with respect to the account. Reportable accounts include accounts held by individuals and entities (which includes trusts and foundations) with fiscal residence in another CRS country. The standard includes a requirement to look through passive entities to report on the relevant controlling persons.

Investors who are in any doubt as to their tax position should consult their professional advisers.

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