

Crelan NV

Regional Banks Belgium

ESG Risk Rating

ESG Risk Score

19.4

Full Update Date Apr 23, 2024

Last Update May 23, 2024

Not available
Momentum

ESG Risk Rating

Low Risk

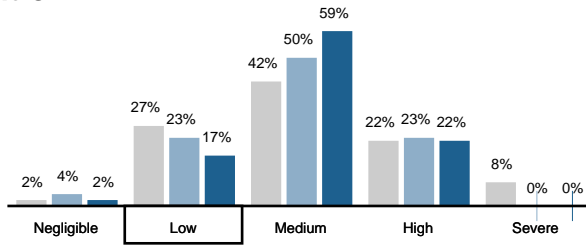


ESG Globes Rating



ESG Risk Rating Score Change Log

ESG Risk Rating Category Distribution



ESG Risk Rating Ranking

UNIVERSE	RANK (1 st = lowest risk)	PERCENTILE (1 st = lowest risk)
Global Universe	4038/15080	28th
Banks INDUSTRY	253/1022	25th
Regional Banks SUBINDUSTRY	91/549	17th

Peers Comparison

Peers (Market cap \$0.0 - \$0.0bn)	Exposure	Management	ESG Risk Rating
1. Säästöpankkiliitto osk	38.2 Medium	54.4 Strong	18.7 Low
2. Norddeutsche Landesbank -Girozentrale	36.2 Medium	50.0 Average	19.1 Low
3. Crelan NV	34.3 Low	45.6 Average	19.4 Low
4. NIBC Bank NV	39.1 Medium	52.6 Strong	19.9 Low
5. Slovenská sporitelna AS	39.0 Medium	51.3 Strong	20.2 Medium

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ESG Risk Analysis

Exposure refers to the extent to which a company is exposed to different material ESG Issues. Our exposure score takes into consideration subindustry and company-specific factors such as its business model.

Exposure

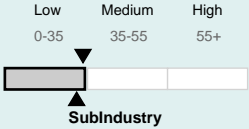
34.3

Not available

Low

Momentum

Beta = 1.07



The company's product and service portfolio, as well as its customer base triggers exposure to quality and safety issues. Types of misconduct include unsafe features, insufficient transparency and misleading marketing. Exposure to ethical breaches is mostly derived from the company's business relations within its value chain, as well as countries of operation and size. These may include political lobbying, conflicts of interest, anti-competitive practices, tax and accounting irregularities and others. The company receives, stores and processes large volumes of sensitive customer data. This triggers exposure to data privacy and security breaches, which may result in regulatory actions, litigation, public scrutiny or loss of customer trust.

The company's overall exposure is low and is moderately above subindustry average. Product Governance, Business Ethics and Data Privacy and Cybersecurity are notable material ESG issues.

Management refers to how well a company is managing its relevant ESG issues. Our management score assesses the robustness of a company's ESG programs, practices, and policies.

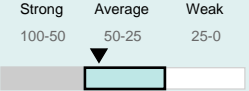
Management

45.6

Not available

Average

Momentum



Crelan has established an ESG committee that includes an executive member. Also, its whistleblower programme is adequate. On the other hand, the company discloses ESG reporting practices that are not aligned to leading reporting standards and sustainability performance targets are not incorporated in the company's executive compensation plan. Additionally, it has established a weak environmental policy.

The company's overall management of material ESG issues is average.

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Material ESG Issues

ESG Issues regarded material for the company.

Issue Name	Exposure	Management	ESG Risk Rating	Contribution to ESG Risk Rating
	Score Category	Score Category	Score Category	
Product Governance	8.0 High	45.0 Average	4.4 Medium	22.7%
Data Privacy and Cybersecurity	6.0 Medium	50.0 Strong	3.6 Low	18.5%
Human Capital	5.0 Medium	36.6 Average	3.3 Low	16.8%
Business Ethics	6.0 Medium	48.1 Average	3.3 Low	16.8%
Stakeholder Governance	5.0 Medium	46.1 Average	2.7 Low	13.9%
ESG Integration -Financials	4.3 Medium	48.3 Average	2.2 Low	11.3%
Overall	34.3 Low	45.6 Average	19.4 Low	100.0%

Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

Category (Events)

 **Severe (0)**

 **High (0)**

 **Significant (0)**

 **Moderate (0)**

 **Low (0)**

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Events Overview

Identify events that may negatively impact stakeholders, the environment, or the company's operations.

Category (Events)

None (15)

Access to Basic Services

Accounting and Taxation

Anti-Competitive Practices

Bribery and Corruption

Business Ethics

Carbon Impact of Products

Data Privacy and Security

Environmental Impact of Products

Labour Relations

Lobbying and Public Policy

Marketing Practices

Quality and Safety

Sanctions

Social Impact of Products

Society - Human Rights

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ESG Risk Rating Score Change Log

Full Update Partial Update Event Update Methodology Update

Period: 2023 - 2024

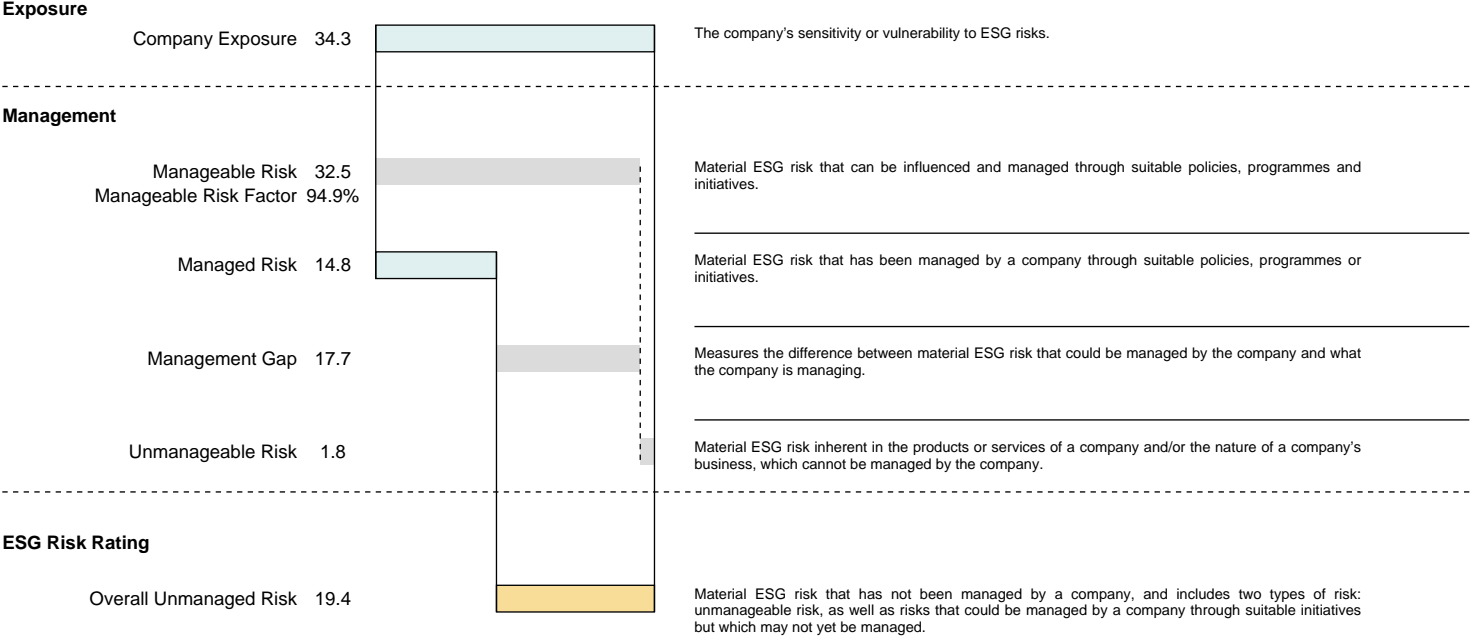


Attribute Date	Value Before Change	Value After Change	△ Change In Value	Change Trigger
2024/05/23	19.6	19.4 ↓	-0.2	<input type="checkbox"/> Methodology Update
2024/04/23		Comprehensive Low 19.6		<input type="checkbox"/> Full Update

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Risk Decomposition



Momentum Details

Not available due to a lack of comparable historical information.

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GLOSSARY OF TERMS

Attribute Date:

Publication Date when there is any change to the ESG Risk Score, ESG Risk Category, Sub-Industry or Framework Unmanaged Risk.

Beta (Beta, β)

A factor that assesses the degree to which a company's exposure deviates from its [subindustry's](#) exposure. It ranges from 0 to 10, with 0 indicating no exposure, 1 indicating the subindustry average, and 10 indicating exposure that is ten times the subindustry average.

Constant

A value applied to the management score within the Core methodology to account for the contribution to management score that would be expected from indicators that are not in the Core framework's focused indicator set but are used in the Comprehensive framework.

Change Trigger

Explains what triggered a company's score to change (e.g., methodology, event, annual update, partial update).

Change Triggers

1. **Full Update:** An internal process where a full assessment of a company is performed; the full update is typically done on an annual basis for ESG Risk Ratings.
2. **Event Update:** An internal process where an update of an event assessment for a company is performed; the event update is typically done when news about the involvement of a company in a controversy is reaching a certain threshold that requires either an initial event assessment or an update of an existing event assessment.
3. **Partial Update:** An internal process where data points that feed a rating/assessment of a company are updated outside of the full update process and limited in scope; the partial update is typically restricted to a limited number of data points and occurring periodically.
4. **Methodology Update:** An internal process where the methodological architecture of a product is changed leading to changes in the rating/assessment of a company; methodological updates typically occur once within 3-5 years and are rolled out for all companies at once.

ESG Risk Category

Companies' [ESG Risk Rating scores](#) are assigned to five ESG risk categories in the [ESG Risk Rating](#):

Negligible risk: enterprise value is considered to have a negligible risk of material financial impacts driven by ESG factors

Low risk: enterprise value is considered to have a low risk of material financial impacts driven by ESG factors

Medium risk: enterprise value is considered to have a medium risk of material financial impacts driven by ESG factors

High risk: enterprise value is considered to have a high risk of material financial impacts driven by ESG factors

Severe risk: enterprise value is considered to have a severe risk of material financial impacts driven by ESG factors

Note that because ESG risks materialize at an unknown time in the future and depend on a variety of unpredictable conditions, no predictions on financial or share price impacts, or on the time horizon of such impacts, are intended or implied by these risk categories.

ESG Risk Rating Score (Unmanaged Risk Score)

The company's final score in the [ESG Risk Rating](#); it applies the concept of [risk decomposition](#) to derive the level of [unmanaged risk](#) for a company.

Event Category

Sustainalytics categorizes events that have resulted in negative ESG impacts into five event categories: Category 1 (low impact); Category 2 (moderate impact); Category 3 (significant impact); Category 4 (high impact); and Category 5 (severe impact).

Event Indicator

An indicator that provides a signal about a potential failure of management through involvement in controversies.

Excess Exposure

The difference between the company's [exposure](#) and its [subindustry](#) exposure.

Exposure

A company or [subindustry's](#) sensitivity or vulnerability to ESG risks.

Manageable Risk

Material ESG risk that can be influenced and managed through policies, programmes and initiatives.

Managed Risk

Material ESG Risk that has been managed by a company through policies, programmes and initiatives.

Management

A company's handling of ESG risks.

Management Gap

Refers to the difference between what a company has managed and what a company could possibly manage. It indicates how far the company's performance is from best practice.

Management Indicator

An indicator that provides a signal about a company's management of an ESG issue through policies, programmes or quantitative performance.

Subindustry

Subindustries are defined as part of Sustainalytics' own classification system.

Unmanageable Risk

Material ESG Risk inherent from the intrinsic nature of the products or services of a company and/or the nature of a company's business, which cannot be managed by the company if the company continues to offer the same type of products or services and remains in the same line of business.

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Unmanaged Risk

Material ESG risk that has not been managed by a company, and includes two types of risk: [unmanageable risk](#), as well as risks that could be managed by a company through suitable initiatives, but which may not yet be managed ([management gap](#)).

Value before Change

Previous ESG Risk Score, ESG Risk Category, Sub-Industry or Framework.

Value after Change

Current ESG Risk Score, ESG Risk Category, Sub-Industry or Framework.

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