



2. The Bank and its social responsibility

Even though, as the central bank, we enjoy a large degree of autonomy and independence, we are part of society and we cannot allow ourselves to stay in our ivory tower, looking down complacently on everything that is happening in that society.

We strongly believe that we must take account of trends in society and the public debate. That is why we take to heart our social responsibility as an employer and as an enterprise, as the supervisory authority and the central bank in the service of the country. We were already doing that in the past, but mainly behind the scenes and without much publicity. Nonetheless, we concluded that we need to be transparent about the recent radical modernisation of the National Bank's CSR policy, because we want you, as a reader, to be able to gain an idea of everything that we do and everything that concerns us in that sphere.

Last year, we had already mentioned a number of initiatives in the Corporate Report. This year, we want to go further and devote an entire chapter of this Report to the role that the Bank plays in society and the way in which we address that. This chapter will from now on form an integral part of our Report.

Pierre Wunsch
Governor

February 2021



Introduction

The National Bank of Belgium performs a multitude of tasks in the service of society, as Belgium's central bank within the Eurosystem, as the prudential supervision authority for the financial sector and, for example, in managing the Central Balance Sheet Office and the Central Credit Registers. Changes in society, such as technological developments, can of course influence the way in which the Bank performs its tasks. The National Bank has to make sure that it is always prepared for what might happen tomorrow, and for what that could mean. In other words, it must ensure that it can continue to perform that role sustainably and maintain its social relevance.

The National Bank must therefore keep a close eye on developments in society which could have an impact on its duties. For the Bank as the supervisory authority for credit institutions and insurers, that means, for example, identifying, assessing and managing the risks associated with climate change and the transition to a more sustainable economy.

As this is a complex and relatively new subject, the Bank must also actively develop its expertise.

For the NBB as the central bank, that is a key point for attention. The Economics and Research Department has to be able to chart as accurately as possible the socio-economic impact of climate change and the transition to a more sustainable economy, so that economic models predicting price stability can take account of that impact. As the macroprudential supervisory authority which has to prevent the Belgian financial system from falling prey to external shocks, the Bank has to keep a close watch on the influence of climate change on property values, for example.

The National Bank has also expressed its commitment as a socially responsible enterprise. At the request of the Board of Directors, that commitment became a priority during 2020. The corporate social responsibility (CSR) policy already launched previously was further developed last year and now has a new organisational structure.

In nine themes linked to corporate social responsibility, the National Bank – whether or not acting jointly with other central banks and supervisory authorities – took initiatives aimed at sustainability in all its facets.

The table below summarises the nine points which the Bank now emphasises in its CSR policy.

ROLES	TOPICS
NBB as central bank	1 Supervision ensuring sustainability in the financial sector in a risk-based manner
	2 Cash and payments
	3 Economic and financial research, and analysis including social and environmental dimensions
	4 Investment portfolio sustainability criteria
NBB as company with public importance	5 Green and fair bank
	6 Inclusion and Diversity
	7 Commitment towards staff
	8 Sustainable procurement
	9 Patronage & culture

The new CSR Board sets the course for a more sustainable National Bank

In 2020, in the context of its missions as both a central bank and an enterprise, the National Bank decided that, at the level of corporate social responsibility (CSR), it would try to put clearer emphasis on establishing priorities, on greater consistency between its initiatives, and increasing “ownership” by the staff so that they feel more involved. That is why the existing structure and vision have been refined.

The CSR Board, created in the summer of 2020, plays a vital role here. It comprises officers from the departments and services concerned with the CSR themes. The Board’s main tasks are to establish CSR priorities, to ensure consistency between the various initiatives and to coordinate communication on the subject of CSR.

COMPOSITION OF THE CSR BOARD

CSR coordinator	Communication	Research
Human Resources	Financial Markets	Financial Stability
Facilities Management	Management Control	IT
General Statistics	Diversity Manager	

CSR efforts of the Bank as the central bank and the supervisory authority for the financial system



Supervision ensuring the sustainability of the financial sector

It is increasingly likely that climate change and the transition to a more sustainable economy will have consequences for both the economy as a whole and the financial system. That is why the National Bank has for some years been paying special attention to climate-related risks, in its role as the supervisory authority for credit institutions and insurers.

The actual manifestation of the risks resulting from climate change and the transition to a more sustainable economy is accompanied by great uncertainty and depends on policy decisions, technological developments and consumer and investor behaviour. It is therefore difficult to identify and assess these risks.



Jean Hilgers, Director:

"The financial sector will play a key role in facilitating the transition to a sustainable economy, but will also have to face significant risks. It will perform a central role in mobilising the necessary financial resources, helping the economy to adapt, and mitigating the climate-related risks."



In recent years, under its macroprudential mandate the National Bank has initiated various measures to ascertain the scale of the climate-related risks for the Belgian financial sector and the degree to which the sector takes those risks into account in its strategy and risk management. On that basis, the Bank issued a series of recommendations on risks and opportunities for the banks and insurers subject to its supervision.

One of those recommendations concerned collecting and analysing data on the energy efficiency of real estate exposures, that aspect being regarded as a potential credit risk and transition risk factor for those exposures. That recommendation was repeated in the Bank's Financial Stability Report 2020. Ideally, financial institutions should have access to regional databases containing energy performance certificates for residential property built, leased or sold in the past ten years. The Bank therefore supported the financial sector's request for access to these databases.

In a new Circular, the Bank also spelt out its expectations regarding the collection of these data for home mortgage loans, investment loans secured against real estate, or other commercial property exposures. At the same time, it also asked for data on the energy efficiency of new home mortgage loans to be reported to the Bank.

However, climate-related risks are part of a much broader spectrum of potential risks relating to sustainability, in which environmental and social issues and good governance hold an ever more prominent position (environment-social-governance or ESG).

INTERNATIONAL COOPERATION ON CLIMATE-RELATED RISKS

In view of the complexity of the subject and the institutional regulatory environment in which the National Bank performs its supervisory tasks, cooperation is essential at European and international level. In that context, the Bank played an active part in the work of various European and international bodies of which it is a member. It took part in working groups and drafting teams which develop methodologies and measures for assessing these risks and which suggest modifications to the regulatory and prudential framework necessary to take better account of these risks in the financial sector.

INTERNATIONAL

The **Central Banks and Supervisors Network for Greening the Financial System (NGFS)** published a number of documents on microprudential and macroprudential supervision.



The **Basel Committee on Banking Supervision** took stock of the practices of supervisors and banks in regard to climate risks and examined how climate risks can be taken into account in the current legislation. In the next stage, it will examine how the legislation might be adapted to make further improvements to this aspect.

The **International Association of Insurance Supervisors (IAIS)**, working with the **Sustainable Insurance Forum (SIF)**, an international network of insurance sector supervisors, developed an Application Paper on the common prudential framework for supervising climate-related risks in the insurance sector.



EUROPE



The European Commission's various regulatory initiatives on sustainable finance are discussed by the **Member States in their Expert Group on Sustainable Finance**.

The **European Supervisory Authorities (ESAs)** for the banking and insurance sector help to draw up and implement the European sustainable finance strategy and action plan, and to integrate ESG (environmental, social and governance) risks in financial institutions' risk management. More particularly, their work concerns:

- financial institutions' disclosure requirements relating to green assets and ESG risks;
- how ESG risks can be incorporated in the governance and risk management of credit institutions and investment firms, and in the supervision of those institutions; and
- how the capital requirements might be adapted in the future for exposures linked to environmental and/or social objectives.

The ESAs also worked on some pilot sensitivity analyses.

The **European Central Bank** published a guide setting out its expectations on risk management and the disclosure of climate-related and environmental risks in banks.



ESRB
European Systemic Risk Board
European System of Financial Supervision

Together with the **European Systemic Risk Board (ESRB)**, the ECB developed risk indicators, methodologies and scenarios for assessing the impact of climate risks on financial stability. A first pilot stress test exercise was conducted.

Network for Greening the Financial System

The Network for Greening the Financial System is a coalition of central banks and supervisors aimed at managing climate-related and environmental risks in the financial sector and accelerating the greening of the financial sector. The NGFS was set up at the end of 2017 by eight central banks and supervisory authorities and now has 70 members, including the Bank which joined in mid-2018. Since its creation, the Network has covered three different workstreams, with activities relating respectively to:

- microprudential aspects and supervision;
- macrofinancial aspects; and
- the greening of the financial system, including sustainable investment and central bank activities.

During the past year, the NGFS also launched two new workstreams, focusing on collecting data relating to climate and environmental risks and on research.

Since its creation, this network has published a large number of very useful documents. The Bank itself has also made an active contribution to most of those publications. In 2020, the following documents were published:

- guide for integrating climate-related and environmental risks into prudential supervision;
- a status report on financial institutions' practices concerning differentiation between green, non-green and brown exposures;
- a guide to climate scenario analysis and a range of reference scenarios;
- an overview of current practices concerning the management of climate-related and environmental risks in financial institutions;
- a report on the potential impact of climate change on monetary policy and the results of a poll concerning climate change and monetary policy operations; and
- a report on research priorities concerning the macroeconomic impact of climate change and its repercussions on financial stability.



Economic and financial research and analysis



Pierre Wunsch, Governor:

"The major issue is not whether to act to avoid climate change but how we can act in a way that is economically and socially sustainable"

The Bank's research and analyses form the basis for its policy measures, which have an effect on society and on the well-being of Belgian (and European) households and businesses. The Bank does not work in isolation from its environment, and its research and analyses therefore have an intrinsic social responsibility component. In striving to achieve price stability and financial stability, including within both the Eurosystem and the ESCB, the Bank endeavours to maintain a secure and foreseeable environment, reducing risks and excessive volatility for households and businesses. The Bank's research and analyses aim to provide a sound basis for understanding the most effective measures for resolving problems and preserving price stability and financial stability, as well as understanding how those measures affect society.

Given that the impact and effectiveness of monetary and prudential policy are influenced by the operation of the economy and by government policy, the Bank's research and analyses also address other economic and financial subjects which are relevant from that point of view, such as the business cycle, public finances, competitiveness, the labour market, product markets, financial markets and international relations.

The Bank regards its studies as a public good and therefore circulates them via various channels, including on its website and by presenting its work at conferences and seminars in numerous forums. The Bank also aims to stimulate economic ideas and research in Belgian universities, by sponsoring projects, co-authoring studies, helping to organise conferences or seminars, and providing access to a rich set of data.

In addition to this general contribution, the Bank has also continued its work of gaining a better understanding of the economic and financial impact of climate change. The shocks associated with climate change (and the transition to a more sustainable, low-carbon economy) could affect productivity, product supply and demand (and hence relative prices), health outcomes, inequality, etc. The Bank therefore continued its analyses to identify the mechanisms underlying those effects and to understand the potential impact of those shocks on the current economic system, and hence also on its policy.

To help improve understanding of the economic impact of climate change, the Bank dedicated the 2020 edition of its biennial international conference to "Climate Change: Economic Impact and Challenges for Central Banks and the Financial System".

Apart from its attention to climate change, the Bank also examined the uneven impact of the COVID-19 crisis on various sections of the population. Low-income groups prove to be more vulnerable, and some sectors or workers are more seriously affected than others.

The Bank at the service of society

Given its responsibility to Belgian society, the Bank also takes part in various committees, such as the High Council of Finance, the High Council for Employment, and the National Productivity Board. As a privileged observer, the Bank is able to provide valuable assistance for the government, which it did throughout 2020 in the Economic Risk Management Group (ERMG). In that group, co-chaired by the Governor Pierre Wunsch and Mr Piet Vanthemsche, it kept a close eye on the economic and financial impact of the coronavirus crisis. At the request of the federal government, the Bank also published a detailed study of the impact of immigration on the economy.



The National Bank's sustainable portfolios

The Bank has gradually improved the integration of sustainability aspects in the management of its non-monetary policy portfolios while taking account of the aims and constraints imposed by its mandates.

In 2020, the Bank continued to apply its sustainability policy to its portfolio of USD-denominated corporate bonds. In this foreign reserves portfolio, it increased the share of industrial companies that meet specific ESG criteria (i.e. their commitment to the environment, social responsibility and governance). The Bank applies positive screening to these assets and selects only bonds which achieve a sufficiently high score in terms of the ESG criteria. That score is awarded by

a specialist, external rating agency. The Bank also purchases thematic bonds in this portfolio. These purchases concern not only "green bonds" but also bonds issued to fund broader sustainability projects and "pandemic" bonds.

In managing its own funds portfolio, the Bank has also invested more in "green bonds". These are bonds issued by supranational institutions, public authorities and companies to fund specific projects intended to have a beneficial impact on the environment. In addition, the Bank has managed to invest more in thematic bonds issued by supranational issuers and agencies.



Jean Hilgers, Director:

"It is of supreme importance for us as the central bank to practise what we preach, to lead by example and to conduct ourselves properly. The Bank has put a lot of effort into making its own activities more sustainable and will continue to do so in the coming years, as sustainability criteria are becoming ever more important in our own portfolio management."

The Bank continued its strategy of diversifying its portfolio by investing in European equities. Faced with the steady increase in euro-denominated bonds on its balance sheet, the Bank started this type of portfolio diversification in 2019 and continued to pursue it gradually in 2020. An external fund manager was instructed to take on the passive management of a portfolio of shares in large-cap companies listed on European stock markets. The benchmark index, tailor-made for the Bank by an external agency, mainly covers euro area stock markets and includes companies that meet specific ESG standards. The aim of socially responsible investment is to invest more

in companies which have a robust ESG profile and demonstrate that they want to improve that profile rather than invest in controversial or undesirable sectors (such as weapons).

To reinforce its "Green Bank" policy, the Bank decided that its securities settlement system (NBB-SSS) will refrain indefinitely from making any charges for issuance of green, socially responsible and sustainable bonds aimed at funding investment benefiting the environment and the community.



Guaranteeing secure, sustainable cash and efficient payment systems

Cash

The National Bank helps to enhance the sustainability of banknotes in circulation.

By regularly checking the authenticity and clean condition of banknotes, the Bank ensures their quality. The new euro banknotes placed in circulation in recent years have a special coating of varnish that slows down their deterioration and allows them to remain in circulation for longer.

The Bank also endeavours to streamline the cash cycle as far as possible. It places cash in circulation via the banks and cash transport firms. Most of the banknotes in circulation are recycled by private firms adhering to strict standards imposed and verified by the central bank. Banknotes which are not recycled by the private sector return to the National Bank. The authenticity and quality of those banknotes are then checked by the most efficient, sophisticated machines in existence, equipped with high-tech sensors specifically designed for central banks. Only genuine, good-quality banknotes are returned to circulation. Rejected banknotes are replaced with new ones.

The Bank aims to check all banknotes circulating in Belgium at least once a year, on average. Making the cash cycle as effective and efficient as possible reduces the cost to society and the ecological footprint of cash.

As a member of the Eurosystem, the National Bank takes part in various initiatives to reduce the ecological footprint of cash. For example, the Eurosystem aims to progress towards its target of using 100 % sustainable cotton for manufacturing banknote paper by 2023.



Tim Hermans, Director:

“The Bank is investing in a new, secure and efficient Cash Centre where the very latest machines will be installed so that it can continue to carry out its work at the lowest possible cost to society”

Electronic payment systems and FinTech

Interest in FinTech, the financial technology offering innovative processes, products and services in the financial sector, is constantly growing. For that reason, the Bank together with the FSMA established a joint

contact point intended to make it easier for these innovators to understand the regulations relating to financial innovations and the supervisors' expectations. The supervisory authorities thus want to facilitate access to the payments market for these firms while also making electronic payments more secure for consumers.





The national bank is also making major efforts **as an enterprise**

Archive photo

Green and fair bank

The National Bank aims to be a sustainable central bank, caring for the climate and the environment. That is why it endeavours in many ways to reduce its ecological footprint, particularly in energy consumption, waste management, and mobility. The Bank also opts for a sustainable procurement policy. For some years now, its efforts in this regard have been recognised with the **3-star Ecodynamic Enterprise label** awarded by Brussels Environment.



The Bank has also retained its **“Good Food” label**. This commends its staff restaurant for using local, fair-trade and organic products, and for offering seasonal fruit and vegetables, and vegetarian meals. The Bank has currently been awarded two of the three forks for this label.



NEW MEASURES AND HIGHLIGHTS IN 2020



A number of water fountains have been installed to cut the use of plastic water bottles and waste.



When offices are renovated, they are always equipped with **low-energy LED lighting** and **heat recovery rotors**.



The Bank buys **100 % green electricity**, reducing emissions by almost 3 000 tonnes of CO₂-equivalent.



The bicycle garage has been enlarged and there are spaces for other means of transport such as e-steps.



Three additional e-bikes have been purchased. They can be borrowed for business use.

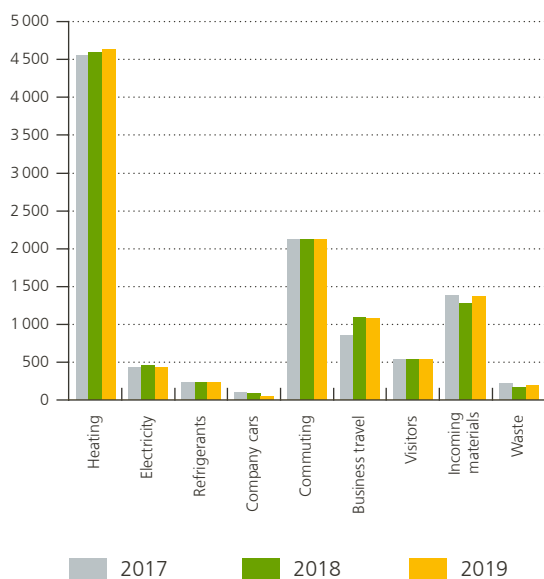


The Bank likewise endeavours to reduce and offset its CO₂ emissions. It was CO₂ neutral for the third year running, notably as a result of its emission-offsetting system. To offset its emissions, the Bank supports a selection of certified development projects which are not only beneficial for the climate but also make a socioeconomic contribution in less developed countries.

Although the Bank has become CO₂ neutral via its support for climate projects, it naturally also continues to endeavour to cut its own emissions. It does so, for example, by efficient energy management, consuming 100 % green energy, adding electric vehicles to its fleet of company cars, and minimising non-recyclable waste.

Data available in 2020 put the Bank's CO₂ emissions at 10 650 tonnes of CO₂ equivalent in 2019 (energy consumption, travel, commodity consumption, waste, etc.). There are many projects in the pipeline for reducing emissions not only in the short term but also – and in particular – in the medium term.

**Total CO₂ emissions
(in tonnes of CO₂ equivalent)**



CARBON FOOTPRINT IN 2019

**Around 4.9 tonnes of
CO₂-equivalent per FTE**

= roughly corresponding to
the annual emissions of
1 000 Belgians

- More or less the same as in 2018.
- Reduction measures were relatively small in scale; a bigger reduction could be achieved by reducing the total office floor area and renovating the remaining buildings.



Efficient stoves in Ghana, an example of offsetting CO₂ emissions

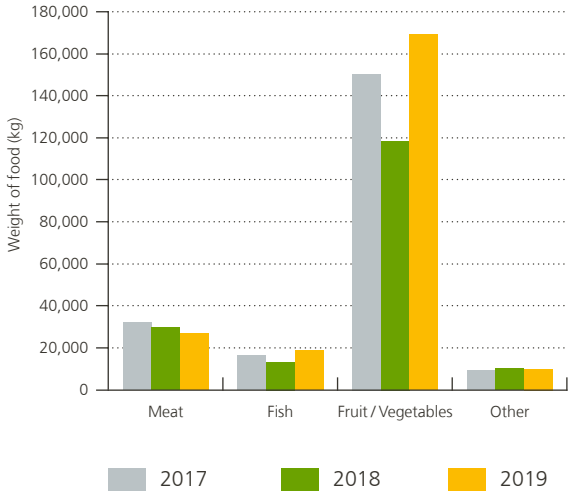
To offset its unavoidable CO₂-emissions, the Bank takes part in a project in Ghana run by CO₂Logic and its partners. This project helps to develop and distribute efficient stoves, saving millions of trees, supporting families, stimulating economic activity and improving the health situation in Ghana.



©CO₂logic

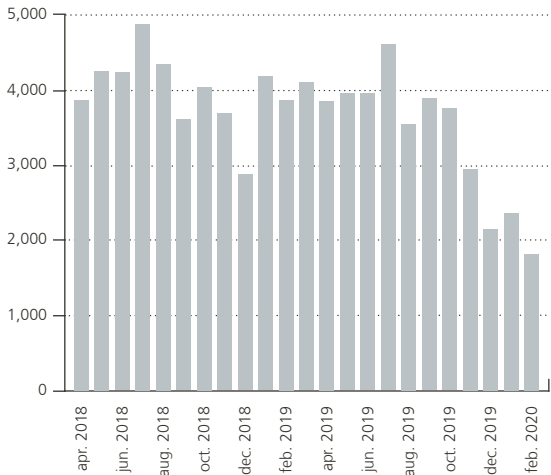
The Bank's efforts can be illustrated by specific emission items, such as the consumption of paper or plastic bottles. For some years now, the Bank has been trying to limit paper consumption, and that has resulted in a clear favourable trend. The same applies to waste plastic water bottles: the provision of water fountains and reusable bottles from November 2019 soon had a major impact. Immediately before the start of the Covid-19 crisis, sales of plastic bottles at the Bank had already fallen dramatically. The efforts made to promote more sustainable, healthier food for staff are also achieving results.

Change in food

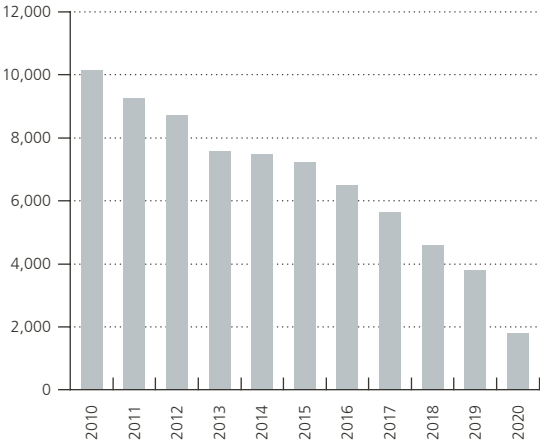


Sale of 1 litre plastic bottles

(impact of water fountains and reusable bottles)



Number of A4 sheets per FTE





The new Cash Centre in Asse – 3D-model

© Project: Philippe SAMYN and PARTNERS, architects & engineers, with TPF Engineering and ARCOTEAM – Rendering: ASYMETRIE

Sustainability is another important criterion in the Bank's new buildings strategy. This encompasses both the sale and the refurbishment of its buildings, and represents a major challenge since the final result will largely determine the Bank's future environmental and energy performance.

The new Cash Centre

Preparations for construction of the new Cash Centre in Zellik, not far from the outskirts of Brussels, continued in 2020. Construction itself will begin in 2021. Much of the energy needed for this building will be produced by geothermal systems and solar panels installed on the roof. There will be an ecological pond and a landscaped area with native species of trees and plants, respecting biodiversity. The building materials are also chosen with attention to their sustainability.

The location of the new Cash Centre, just a stone's throw from Zellik station, was also selected for ease of access. In view of the proximity of the Brussels ring road, the transport of cash to or from the Cash Centre will hardly entail the use of any secondary roads.

SUSTAINABLE, FUTURE-ORIENTED BUILDINGS STRATEGY

- The Bank aims at a sustainable stock of buildings **by 2030**.
- In practice, that means achieving a multifunctional, compact stock of buildings **creating minimum CO₂ emissions**.
- With its buildings strategy the Bank is helping to achieve the climate neutrality ambitions of the European Union (**Green Deal**) and the Brussels-Capital Region (**Horizon 2050**).



Diversity and inclusion



Pierre Wunsch, Governor:

"In an ideal world, diversity should not be the result of a specific action plan but should be the outcome of an open and inclusive corporate culture, i.e. one that respects all differences"

In 2020, there was further progress towards improving the representation of women at all levels of the organisation and creating a more inclusive corporate culture. 47 % of the new staff recruited were female. Women constituted 54 % of new recruits with a Bachelor's degree, and 37 % of those with a Master's degree.

However, the proportion of women allocated to senior roles in 2020 was slightly lower, at 33 %, but the Bank

is trying to increase that to 40 % in the near future. There have been regular discussions on this point by the Board of Directors. In view of the stable workforce at the Bank, opportunities for promotion are limited and mainly concern the replacement of staff taking retirement. With women representing 35 % of the supervisory staff and a corporate culture set to progress towards greater inclusion, the aim of 40 % of promotions being awarded to women is a real challenge, and will continue to be so for a number of years.



Archive photo

Since the beginning of 2019, the Bank has implemented an action plan to improve the gender balance at all levels of the enterprise and to bring about a more inclusive corporate culture.

The COVID-19 crisis disrupted the diversity action plan: at the start, training and initiatives planned from the second quarter onwards had to be postponed or redesigned for organising on line. Very soon, attention also turned to the impact of the crisis on the equilibrium and well-being of staff, both in terms of the organisation of home working and from a psychological point of view.

Despite everything, the diversity ambassadors who volunteer to promote the Bank's values of respect and open-mindedness remained active, and succeeded in carrying out a number of important measures.

An example of initiatives taken in 2020 is the debate on the subject of diversity in practice, organised with Ed Sibley, the Central Bank of Ireland's Deputy Governor, for staff of the National Bank. Ed Sibley firmly believes that diversity in the management of financial institutions reduces the potential risks of "group think" and helps to improve the decision-making process.

"The ambassadors make sure that diversity is present throughout the Bank"

The Bank also decided to work with Duo for a Job, a non-profit organisation which aims to strengthen social cohesion and local solidarity. This project puts professionals in the 50+ age group in contact with young job-seekers aged between 18 and 33 with an immigration background. A total of 21 of the Bank's employees signed up for this three-year partnership and the first mentoring candidates were able to start their training. Apart from its value to society, this project also offers staff the chance to develop intercultural capabilities and to pass on their skills. The Bank also offers traineeships specifically to people with an immigration background.



Jean Hilgers, Director:

"In the financial sector, which has seen many changes and much disruption in recent years, it is important to think outside the box and be open to other ideas. For that, we need all the talents of both men and women."



"Walking the diversity walk" with Ed Sibley, Pierre Wunsch and Sarah Ndayirukiye

In regard to human resources, the Bank continues to take account of the diversity aspect in modernising its recruitment and career management processes and tools, and in the training offered.

To foster greater diversity and inclusion in society, the Bank also enters into commitments beyond its own walls.

In the ESCB, the diversity and inclusion managers of a number of euro area central banks meet each year to check developments in that sphere and to exchange best practices.

The National Bank is an active member of Women in Finance, an association which aims to improve diversity in the financial sector. Women in Finance published its first annual report in 2020.



"DIVERSITY, THE PROMISE OF COLLECTIVE INTELLIGENCE"

SARAH NDAYIRUKIYE / Diversity Manager – Human Resources

In 2011, after a number of years at the former CBFA, working on supervision of the banking sector, I joined the National Bank of Belgium where I became a coordinator in the Prudential Supervision of Banks Service. That was when I first came into contact with human resources management.

How did you become the Diversity Manager?

I had always been committed to inclusion, but a colleague in the Human Resources Department spurred me into action by inviting me to take charge of a working group on diversity. It was in late 2017, and the Board of Directors had asked us to put forward measures for improving diversity at the Bank, including target numbers to make sure the measures were followed up. We set those targets in such a way as

“We must look out for unconscious bias”

to ensure realistic progress in the representation of women at all levels, and we accompanied them with an ambitious action plan.

A plan... but not only numbers

Apart from the numbers, it is all our procedures, our language, our informal networks – in two words: our culture – that we have to screen for any unconscious bias. That is a long-term undertaking, but there are calls for rapid change, both within the Bank and



from the outside world. At the same time, we have to reassure our colleagues that these changes will in no way impede the development of their expertise and their career.

Fortunately, the commitment and dynamism of the diversity ambassadors within the Bank show that this project has internal support. Also, the Bank is in the process of modernising, and the various projects being set up always give me the opportunity to add a diversity dimension which is gradually becoming part of our DNA.

Such a process must have its ups and downs...

Of course, there are moments when I have doubts about my choice of career. But doubts are positive in that they allow me to stop, stand back and check that we are on the right road. How? By reminding myself of the reason for this process, which is creating a virtuous cycle at the Bank: attracting and developing new talent with different profiles, capable of enriching and broadening our expertise by bringing their own perspective and thus enabling us to take the optimum decisions. That also boosts public confidence and the recognition afforded us by our peers. Confidence and recognition that in turn make the Bank attractive to new talent.

And to ensure that this diversity can thrive and be fully expressed, we are working to create an inclusive environment on the basis of two of the Bank's key values: open-mindedness and respect.

The Bank cares about its staff

“Open-mindedness is important in relations with colleagues and enables people to learn from one another. You cannot expect others to be open-minded unless you are open-minded yourself.”

To perform its tasks in an exemplary way the Bank must also look after the well-being of its staff. In that regard it focuses on staff training, support and relaxation, and aims to implement the values of “open-mindedness” and “respect and confidence” wherever possible. On the practical front, the modernisation of the working environment has continued, with extended scope for home working, more flexible parental leave and staggered working hours.

The Bank strives to offer a human, collegial working environment that is also safe. To that end, it can rely on its health and safety advisers, who ensure the physical, psychological and social well-being of the staff. In 2020, the Bank set up campaigns to raise awareness of problems such as burn-out, alcohol abuse, and industrial accidents, and organised several evacuation exercises.



Archive photo

During the COVID-19 pandemic, the Bank did everything possible to arrange home working and extra safety measures for staff who had to come to the

“Our aim is to help to offer the Bank's staff the optimum conditions in terms of safety and well-being at work”

Bank in order to maintain services. It was thus able to protect its staff and the community as a whole. In order to maintain interaction and collaboration, virtual events and measures were organised. Initiatives included coffee breaks with the

Governor, during which staff were able to put their questions directly to him, and webinars designed to help staff avoid any mental, social and physical problems. Several staff surveys were also conducted to check on their well-being.



Sponsorship and cultural commitment



Pierre Wunsch, Governor:

"We want to involve our staff in these initiatives, too. For example, I encourage them to take on a mentoring role under the Boost programme."

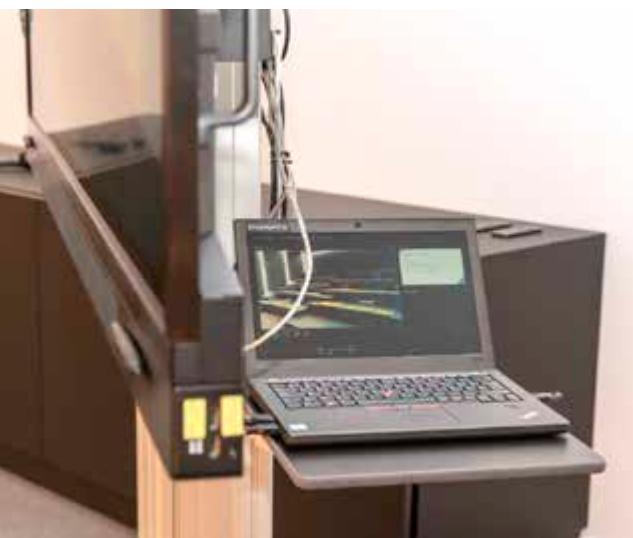
Through its sponsorship, the Bank gives financial support for worthwhile social projects. These projects are increasingly selected according to whether they enable the Bank to achieve its corporate social responsibility (CSR) priorities.

From that point of view, the Bank supports initiatives which encourage young talent and vulnerable groups, or those targeting training, citizenship or action against climate change. Special attention focuses on projects aiming to promote diversity and inclusion.

Boost and *Teach for Belgium* are two recent examples of projects which have received the Bank's support. *Boost* is an initiative by the King Baudouin Foundation which supports young Brussels residents

from disadvantaged socio-economic backgrounds and offers them more equal opportunities in regard to training and personal development. *Teach for Belgium* is an NPI which aims to reduce educational inequality by training young graduates and professionals to become inspirational teachers, working in schools with a high proportion of socio-economically vulnerable pupils.

For decades now, the Bank has been supporting artistic activity in Belgium by creating a diversified art collection which it supplements with works by (young) Belgian artists. The Bank's staff can choose works from this rich collection to embellish their working environment. This enables the Bank to offer its staff a unique and stimulating working



Laptops for distance learning

The Bank regularly renews its IT hardware. However, the machines written off are often still in good condition, so the Bank gives them a new lease of life in accordance with CSR values.

Since distance learning became an everyday reality for many pupils last year, demand for IT hardware also increased in many, often less well-off families. The Bank therefore decided to donate more than 300 laptops to schools via the *DigitalForYouth* platform. The Bank is thus helping to reduce the digital divide.

environment while supporting the Belgian art world. The Bank also initiates measures to open up this collection to the general public, e.g. via loans, publications and exhibitions.

By means of specific commissions, the Bank also offers artists real, stimulating assignments as a basis for producing their work. For instance, the artist duo Lachaert & D'hanis working closely with staff of the Bank designed a banknote to commemorate the closure of the Printing Works in 2020. This final banknote to roll off the Bank's printing presses brings together all the knowledge, expertise and history of the Bank from 1850 to 2020. It marks the end of a story which, in every sense, has made a great impression. In-house experts produced a book on the history of the Printing Works. That book, like the banknote designed by Lachaert & D'hanis, pays homage to the staff of the Bank's Printing Works whose expertise is recognised worldwide.

The Bank's socio-cultural commitment also concerns the management of its architectural heritage, and

Colonial imagery

In a society where diversity and open discussion about history are gaining importance, there is a growing need to think critically about public spaces and institutions. The Bank is not insensitive to this topic. It therefore set up an internal research group of historians to identify and list the colonial heritage of (historical) buildings and the Bank's Museum, but also and above all to make a constructive effort to find solutions should it emerge that some elements of that heritage could be problematic. In consultation with the Bank's Diversity Council and the internal CSR Board, new measures will be adopted in the short, medium and long term. Suggestions put forward favour contextualisation and critical reflection. They include the creation of works by modern artists, questioning colonial imagery and placing it in perspective.



Archive photo

Bob Verschueren, Réseaux, 2017-2020, Bronze in situ sculpture extending over 30 metres in the refurbished offices in the Governor's former official residence



A contemporary test for La Cambre students

“Our art collection is not reserved for our staff – we also want to make it accessible to the general public”

– on certain occasions – opening it to the public. For instance, on Heritage Days, visitors were able not only to explore the Bank’s Museum but also to see the former official residence of the Governor. Volunteers from among the Bank’s staff offered guided tours for visitors, who were very impressed with this architectural jewel. For the occasion, the historical setting of the building was given a modern touch with the *Customized* exhibition, in which design students from the La Cambre School offered their own contemporary interpretation of the old uniforms worn by the Bank’s ushers.

A more sustainable procurement policy

The Bank makes substantial efforts to ensure that it retains the Ecodynamic Enterprise label (and the Good Food label). These efforts are supplemented by other initiatives to make its procurement policy more sustainable.

For instance, anyone involved with public contracts has to attend training in sustainable procurement policy, and the Bank wants public contracts to be handled by a technical officer who has received sustainability training in the preceding three years.

The Bank also expects serious account to be taken of sustainability criteria in purchase procedures, and always works with suppliers who have a sustainability label.

List of publications in 2020

Articles from the Economic Review

The Economic Review is only published in digital form on the Bank's website. The full versions of the articles are published in English with a synopsis in French and Dutch. The articles are published separately as and when they become available, before appearing together in the Review.

JUNE 2020

- Economic projections for Belgium – Spring 2020
- Does the EU convergence machine still work?
- First results of the third wave of Belgium's Household Finance and Consumption Survey
- What explained the weakness in manufacturing in 2018-2019?
- Drivers of labour force participation in Belgium
- Bank financing for SMEs from 2014 to 2019: effect of changes in the law on lending

SEPTEMBER 2020

- The world economy under COVID-19: Can emerging market economies keep the engine running?
- The ECB's monetary policy response to COVID-19
- Price-setting behaviour in Belgium: New evidence from micro-level CPI data
- Tax incentives for R&D: are they effective?
- Public debt: Safe at any speed?
- An assessment of modern monetary theory

NOVEMBER 2020 – special edition

- The economic impact of immigration in Belgium

DECEMBER 2020

- Economic projections for Belgium – Autumn 2020
- Belgium's innovative capacity seen through the lens of patent data
- Belgium's fiscal framework: what is good and what could be better?
- Consumer prices in light of the COVID-19 crisis
- Fighting global warming with carbon pricing: how it works, field experiments and elements for the Belgian economy

END 2020 – published in advance for the next Economic Review

- Belgian corporate sector liquidity and solvency in the COVID-19 crisis: a post-first-wave assessment

PROJECTIONS

■ ECONOMIC PROJECTIONS

Every year, in June and December, the Bank publishes on its website economic projections for Belgium based on technical assumptions and international forecasts formulated jointly by the ECB and the central banks of the euro area. The detailed results are published as an article in the Economic Review.

■ BUSINESS CYCLE MONITOR

On a quarterly basis, the Bank publishes on its website an analysis of the economic situation in Belgium in the current quarter: the Business Cycle Monitor. The Business Cycle Monitor comprises an estimate of economic growth in the current quarter, around seven to eight weeks before the first official quarterly statistics are available from the National Accounts Institute.

Working Papers

The National Bank's Working Papers cover economic or financial topics or deal with subjects relevant to central bank activities. They are produced in English and are intended for a specialist public.

The National Bank's staff write the papers in a personal capacity. Some papers are the work of researchers – both PhD students and established academics – who have been supported by the Bank within the framework of its cooperation with universities. By giving researchers access to data which are not for publication, the Bank also aims to foster a better understanding of economic developments in Belgium.

The Working Papers are only published in digital form on the Bank's website.

- 381 The heterogeneous employment outcomes of first- and second-generation immigrants in Belgium
- 382 A Dane in the making of European Monetary Union – A conversation with Niels Thygesen
- 383 Multi-product exporters: Costs, prices and markups on foreign vs domestic markets
- 384 Economic importance of the Belgian maritime and inland ports – Report 2018
- 385 Service characteristics and the choice between exports and FDI: Evidence from Belgian firms
- 386 Low pass-through and high spillovers in NOEM: What does help and what does not
- 387 Minimum wages and wage compression in Belgian industries
- 388 Network effects and research collaborations
- 389 The political economic of financing climate policy: evidence from the solar PV subsidy programs
- 390 Going green by putting a price on pollution: Firm-level evidence from the EU
- 391 Banking barriers to the green economy
- 392 When green meets green
- 393 Optimal climate policy in the face of tipping points and asset stranding
- 394 Are green bonds different from ordinary bonds? A statistical and quantitative point of view
- 395 Climate change concerns and the performance of green versus brown stocks

Belgian Prime News

This quarterly English-language publication is compiled jointly by the Bank, the Federal Public Service Finance (FPS Finance) and a number of primary dealers (market makers in Belgian government securities).

Each issue includes a "Consensus forecast" on the outlook for the main macroeconomic data for Belgium as well as a description of the most significant recent economic developments. A review of the situation on the government securities market is also presented each time. The Treasury Highlights section gives information on Treasury decisions relating to the management of the public debt.

Belgian Prime News is available in digital form on the National Bank's website. Printed copies can also be ordered via the website.

- 86 Special topic: Economic flows between Regions in Belgium
- 87 Special topic: Measures taken to mitigate the economic impact of the COVID-19 outbreak on the Belgian economy
- 88 Special topic: Belgian public finances are taking a serious hit from the COVID-19 pandemic
- 89 Special topic: Belgian banking sector in good shape to cope with the crisis

Statistical publications

The Bank provides a wealth of macroeconomic statistics for the public via its website and its statistical database NBB.Stat (<https://stat.nbb.be/>).

It is possible to subscribe for updates of specific tables via NBB.Stat. Anyone often seeking similar data can save their search criteria for subsequent use.

The following publications and press releases are also available on the Bank's website:

GENERAL STATISTICS:

- Statistical Bulletin, Economic indicators for Belgium
- Business surveys
- Business investment surveys
- Consumer confidence survey

EXTERNAL STATISTICS:

- Foreign trade in goods and services, annual regional breakdown of Belgian imports and exports of goods and services
- International investment position, foreign direct investment, balance of payments

FINANCIAL STATISTICS:

- Belgium's financial accounts (annual and quarterly)
- Observatory for credit to non-financial corporations
- Monetary financial institutions' interest rates
- Bank Lending Survey, Quarterly business survey on borrowing conditions: credit constraint perception indicator

NATIONAL ACCOUNTS:

- Flash estimate of quarterly growth of gross domestic product, Quarterly accounts, Quarterly sector accounts
- First estimate of the annual accounts, Detailed government accounts, Detailed annual accounts, Supply and use tables, Labour market
- Regional breakdown of the national accounts

MICROECONOMIC DATA:

- Central Individual Credit Register
 - Annual Statistical Report
 - Key monthly figures on consumer credit and mortgages
- Central Corporate Credit Register
 - Publication of statistics on credit authorised and used via the Observatory for Credit to Non-financial Corporations
 - Monthly flash
 - Quarterly update

■ Central Balance Sheet Office

The annual accounts collected by the Central Balance Sheet Office are made available to the general public, together with a financial analysis as part of the company file, and sectoral statistics in formats suited to the needs of the various user groups. Information is also available on the movement in the financial results of firms which have filed their annual accounts at the Central Balance Sheet Office. The port and airport studies produced annually or every two years are published as Working Papers.

Other publications

- Report 2019 – Economic and financial developments
- Report 2019 – Corporate Report
- *Le poids économique des Institutions sans but lucratif en Belgique (Edition 2020)* – jointly published by the NBB and the King Baudouin Foundation (not available in English)
- First results of the third wave of Belgium's Household Finance and Consumption Survey
- Financial Stability Report 2020
- Financial Market Infrastructures and Payment Services Report 2020

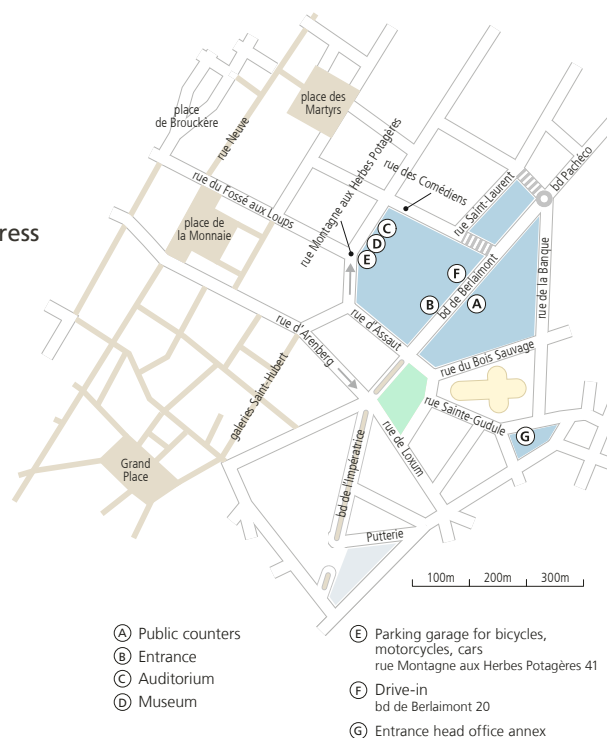
Contacts

Company number

RLP Brussels – BE 0203.201.340

Addresses

Head Office	Entrance for services to the public Boulevard de Berlaimont 3, 1000 Brussels
	Visitors' entrance and general postal address Boulevard de Berlaimont 14, 1000 Brussels
Head Office Annex	Visitors' entrance Place Sainte-Gudule 19, 1000 Brussels
Museum	Rue Montagne aux Herbes Potagères 57, 1000 Brussels
Auditorium	rue Montagne aux Herbes Potagères 61, 1000 Brussels



Information

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Services to the public

Head office banking hall
(Banknotes and coins,
Central Individual Credit Register)

Open from Monday to Friday
from 8.45 am to 3.30 pm.

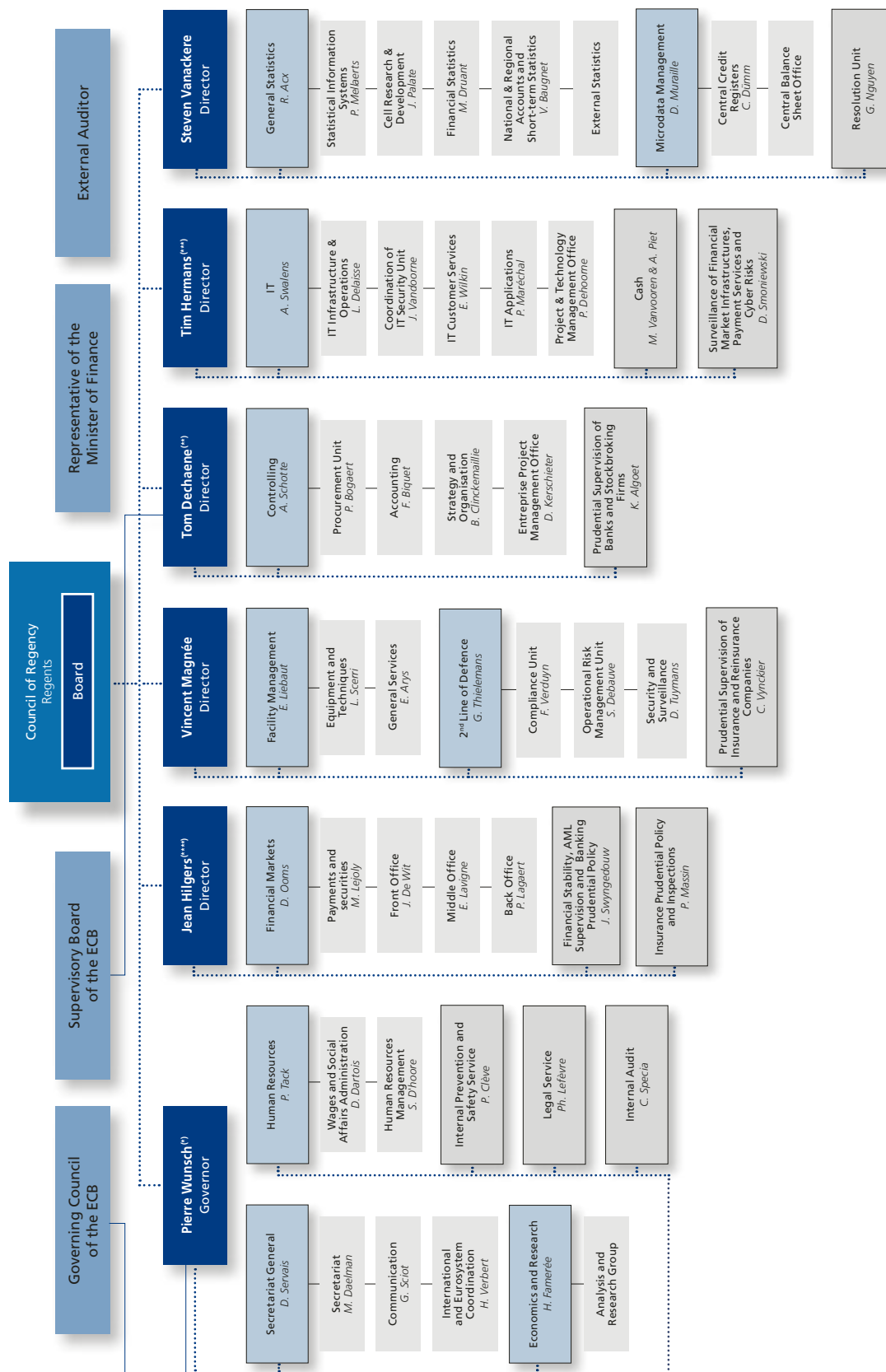
Museum

Open from Monday to Friday from 9.00 am to 5.00 pm.
Free entrance.
Also open on special occasions.
See website www.nbbmuseum.be.
Guided group visits can be booked via the website.

So long as the coronavirus crisis persists, different opening hours may apply.
If so, the information will be available on the Bank's website.



Organisation chart as of 1 January 2021



(*) Is also member of the Governing Council of the European Central Bank.
 (**) Is also member of the Supervisory Board of the European Central Bank.
 (***) Is also Secretary of the Bank.
 (****) Is also Treasurer of the Bank.