

Brussels, 6 January 2024

AXA Bank Belgium regrets the confusing information in the media and reassures its customers

In the media, unnecessarily incriminating and confusing reports have been published about the way in which AXA Bank Belgium uses mortgage loans as collateral for the issuance of covered bonds.

AXA Bank regrets this information which can lead to confusion and guarantees that its customers will not experience any adverse consequences.

Covered bonds are a widely known financing method whereby bonds covered by mortgage loans are offered on the international financial markets in order to strengthen the financing position of the issuing bank. Belgian banks have issued €60 billion in bonds of this type. These transactions are subject to a strict regulatory framework.

These articles cover how AXA Bank Belgium uses mortgage loans as a collateral for the issuance of covered bonds to institutional investors. These transactions are issued by AXA Bank Europe SCF, a French subsidiary of AXA Bank Belgium.

The reports suggest that this approach could lead to the tax authorities not accepting the applicable exemption from withholding tax for the retail customers. AXA Bank Belgium regrets this reporting because it presents the facts wrongly.

Since its inception, the bank has considered it essential that its procedures meet the legal and regulatory requirements. The Bank confirms that the financing method that it uses for the issuance of these covered bonds conforms with the legal and tax framework.

Neither our customers nor AXA Bank Belgium obtain any tax benefit from this structure, which is moreover fully in accordance with the European legislation on the free movement of services and capital within the European Community, which takes precedence over the national legislation.

This has been confirmed repeatedly in the past and once again unambiguously in 2023 by leading external tax experts.

The Bank is hence acting in complete accordance with the regulations and its customers will not experience any adverse consequences due to these operations. The contractual terms and conditions of their loans continue to be respected, the bank continues to ensure proper follow-up and it also acts as guarantor for any possible damage that the customers might suffer.

About Crelan Group

The financial group is formed by CrelanCo cv, Crelan nv, Europabank nv and AXA Bank Belgium nv. It ranks in fifth place among Belgian retail banks in terms of its balance sheet total. Crelan Group is represented on the street by three bank logos: Crelan, AXA Bank and Europabank. On 30/06/2023, Crelan Group has: 4,532 employees (both members of staff and independent bank agents and their members of staff), 817 branches, 276,805 cooperative shareholders, almost 1.8 million customers and a balance sheet total of just under EUR 54 billion. In addition, the bank group manages EUR 43 billion in customer deposits, EUR 14 billion in off-balance sheet investments and supports Belgian families and businesses with EUR 46.5 billion in loans.

Press contact:

Leo De Roeck, senior communication advisor
Tel.: + 32 (0) 499 96 52 81

Caroline Beauvois, senior communication advisor
Tel.: +32 (0) 475 82 09 34

Email: press@crelan.be