Argenta Spaarbank

Investor Presentation

01/2025

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Agenda

1. Who is Argenta
2. H1 2024 overview
3. Financial Performance
4. Asset Quality
5. Solvency and Liquidity
6. Covered Bond
7. ESG
8. Glossary

1. Who is Argenta

1. Company history

1956

Foundation of Argenta

Argenta was founded as a company specialized in offering personal loans by Karel Van Rompuy. Until today, the Van Rompuy family is still the majority shareholder

1966

Argenta Spaarbank

The establishment of Argenta Spaarbank nv enables Argenta to offer saving accounts. This moment also marked the start of the distribution network of independent agents

1974

Argenta Assuranties

Argenta Assuranties nv was established, enabling Argenta to offer life and fire insurances. Bankassurance was a fact

1997

Argenta Netherlands

Argenta starts selling mortgage loans in the Netherlands

2008

Financial crisis

Argenta came unscathed through the crisis and did not need any government support

2010

Argen-co

Argenta Coöperatieve cvba was founded, and launched in 2010 and 2011 a public issue of shares to 67,000 clients and office holders. This gave Argen-co a +-13% stake in Argenta

2016

Start Wholesale funding

Argenta starts with wholesale funding and places its first Tier 2 in 2016. Since then RMBS's (2017), EMTN (2019) and CB (2021) programme are established.

2021 - Today

Fee market share

Fee market share hits more than 5%, which translates into enhancing the diversification of operating income (up to 31%).

65 years of Argenta in 2021

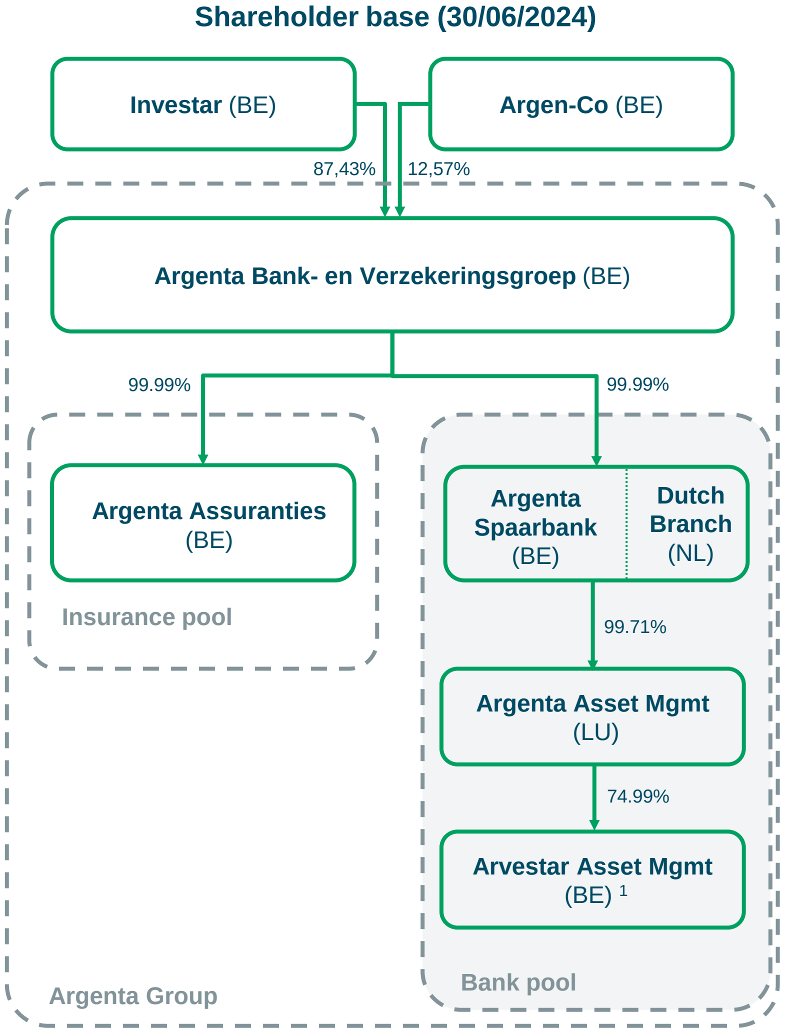
Argenta celebrates its 65th anniversary, Argenta's strong cultural values of simplicity, transparency, honesty and sustainability continue to support a unique customer experience for its clients

1. Group Structure: Full-Fledged Retail Bank

Group structure (share % rounded)

A transparent group structure

- Stable shareholder base Investar (holding company of founding family) and Argen-Co (cooperative capital held by employees and clients)
- Banking operations in Belgium and the Netherlands
- Insurance operations in Belgium
- Asset management operation incorporated in Luxembourg
- Arvestar Asset Management (AAM) is a consolidated joint venture with Bank Degroof Petercam Asset Management N.V. (DPAM)



(1) Arvestar Asset Management (AAM) is a consolidated joint venture with Bank Degroof Petercam Asset Management N.V. (DPAM)

1. Simple and Easy to Understand Business Model

Market share	Netherlands
Deposits	0.6%
Mortgage loans[1]	2.5%

Market share	Belgium
Deposits	9.3%
Investment funds[1]	5.6%
Mortgage loans	6.6%
Life insurance[1]	4.1%
Non-life insurance[1]	2.1%

(1) 31/03/2024

- Integrated bank-insurance business model focussed on fruitful long-term relationships with its retail clients, employees, independent branch owners, family shareholders and investors
- Offering simple and transparent bank and insurance products
- Broad reach through a strong network of independent agents in Belgium exclusively operating for Argenta, third party distribution in the Netherlands, complemented by a user-friendly digital platform
- Unrivalled levels of customer satisfaction, loyalty and brand strength:
  - An exceptionally high NPS of 47 in 2023
  - Several awards granted by expert and client panels
    - “Best bank” (Spaargids / Test-Aankoop)
    - “Best branch network” (Spaargids)
    - “Best Belgian bank and insurance brand” (Best Brand Awards)
    - “Bronze European Effie” for our investment campaign
  - Easy to use banking app (4.5/5 IOS and 4.4/5 Android)
- Integrated operating model creating cost synergies and efficiencies

Sources: BeroepsVereniging van het Krediet (BVK); Nationale Bank van Belgie (NBB), De Nederlandse Bank (DNB), Belgian Asset Managers Association (BEAMA), Assuralia

2. H1 2024 overview

2. Argenta Group key financials
H1 2024

Argenta Group

Net result	111.3m (160m[1])
Return on Equity[1]	8.7%
Total assets	62.5 bn
Total equity	3.8 bn
Cost / Income[1]	53.1%
Total funds under mgmt	63.1 bn
CET 1	26.9%

Argenta Spaarbank

Net result	85.0 m (128m[1])
Return on Equity[1]	9.4%
Total assets	55.8 bn
Total equity	2.8 bn
Cost / Income[1]	52.3%
Total funds under mgmt	57.4 bn
CET 1	26.9%

Argenta Assuranties[2]

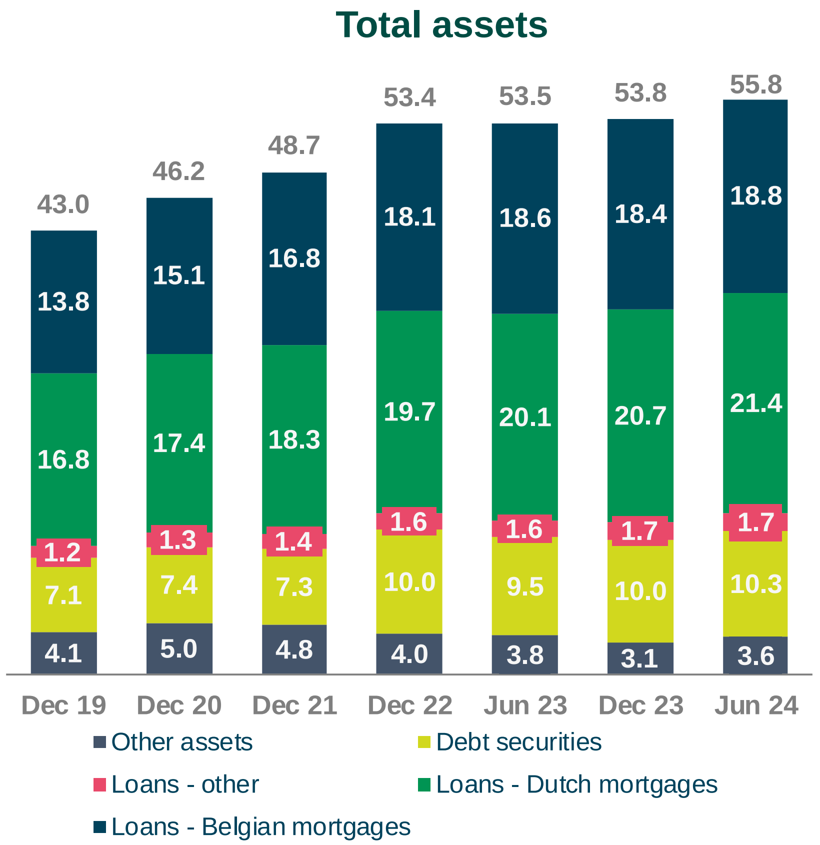
Net result	18.9 m
Return on Equity	6.0%
Total assets	6.7 bn
Total equity	0.6 bn
Premium Life	187 m
Premium Non-life	112 m
Solvency II	224%

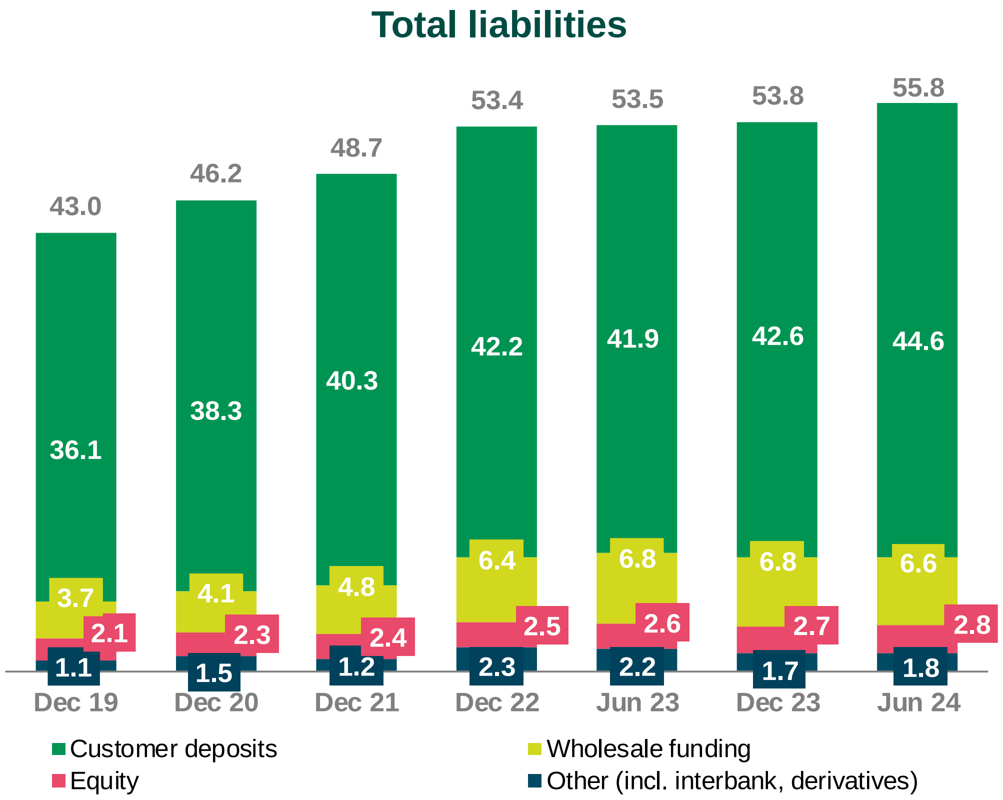
Credit Rating

Standard & Poor's	
Short-term	A-1
Long-term	A
Outlook	Stable

Note: all numbers are stated in EUR
(1) Adjusted for IFRIC 21
(2) BGAAP

2. Balance Sheet growth Ytd of 3.7% driven by retail funding

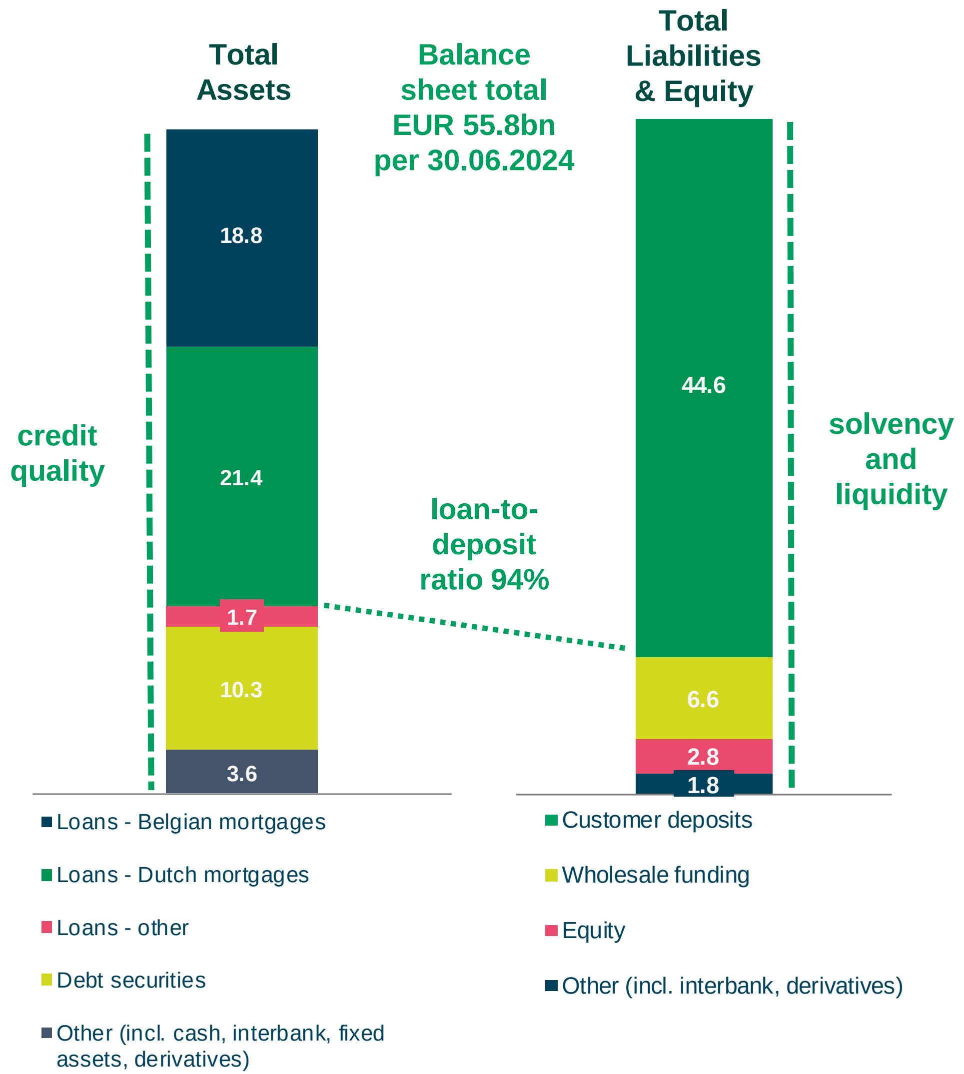




(1) Other assets including cash, interbank, fixed assets, derivatives
(2) Wholesale funding including saving certificates, subordinated debt and securitization funding

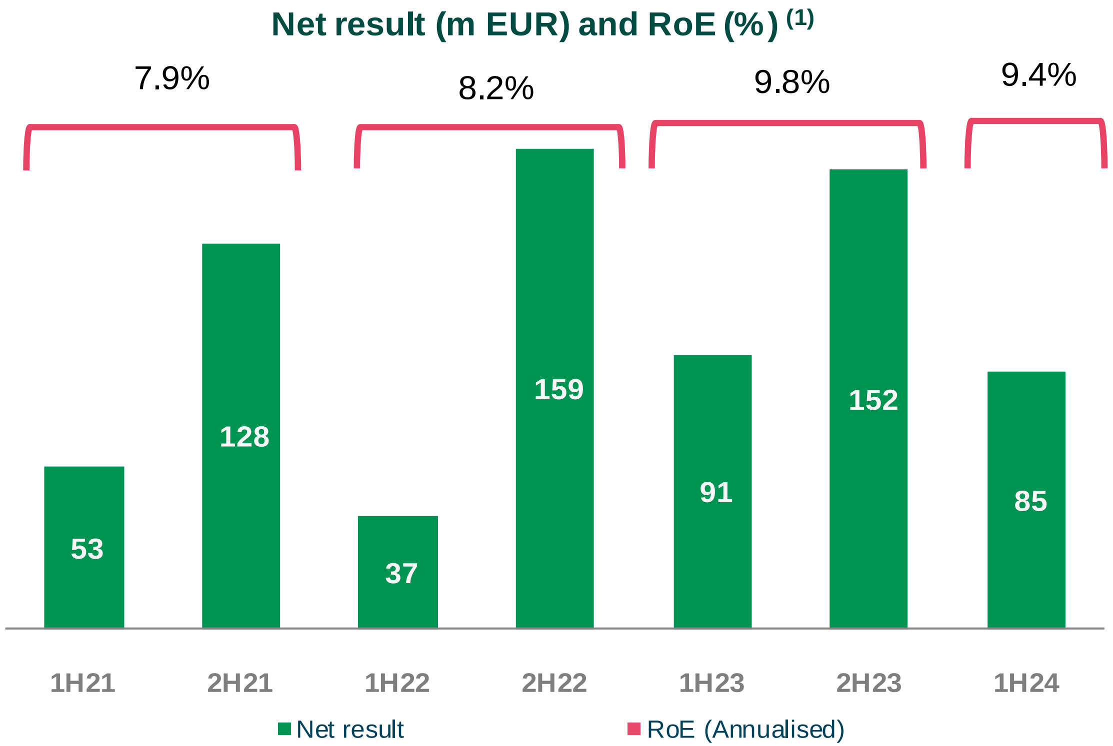
2. Balance Sheet Composition

- Balanced growth in assets and liabilities resulted in a stable balance with a low-risk loan book of prime retail mortgage loans in the Netherlands and Belgium and a diversified and conservative investment portfolio
- Limited portfolio of loans granted to local authorities and public-private partnerships
- Strong retail deposit base with a loan-to-deposit ratio that decreased from 96% to 94%
- Wholesale funding of EUR 6.6bn outstanding
  - EUR 1.2bn securitizations
  - EUR 2.1bn SNP
  - EUR 3.3bn covered bond
  - EUR 10m Certificates of Deposit
- Argenta further diversified its wholesale funding portfolio and successfully launched the Certificates of Deposit Programme to further improve flexibility



3. Financial Performance

3. Net Result slightly lower YoY



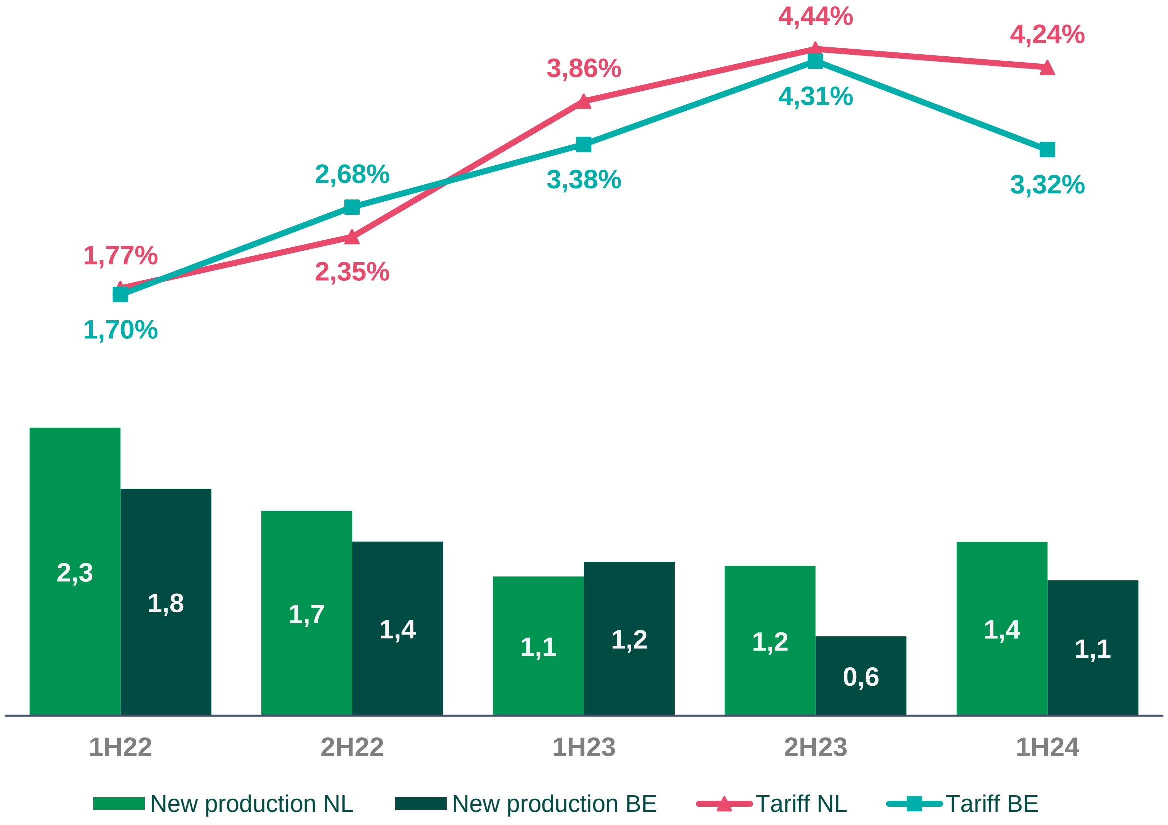
In millions of EUR	1H 23	1H 24	Δ YoY
Net interest income	387	337	-50
recurring NII	*381*	*337*	*-45*
prepayment fees	*1*	*1*	*0*
one-off impact MTM	*5*	*-1*	*-5*
G/L on financial instruments	-9	-5	3
general result	*0*	*5*	*5*
one-off impact MTM	*-9*	*-10*	*-1*
Net fee & commission result	29	43	15
fee income	*104*	*117*	*14*
commissions to agents	*-75*	*-74*	*1*
Bank levies	-95	-96	0
Net operating expenses	-166	-146	20
other operating income	*8*	*7*	*0*
operating expenses	*-174*	*-153*	*21*
Impairments	-9	0	9
Income tax expense	-45	-49	-3
Net profit	**91**	**85**	**-6**
IFRIC21 adjustment	41	43	+2
Adjusted net profit	**132**	**128**	**-4**

- Net profit of EUR 85m driven by a normalisation of the NII
- Higher net fee & commission income due to growth in funds under management
- Impairments decreased primarily resulting from improved expectations on the Dutch housing market
- An update of the intra-group cost allocation model reduced the YoY cost at the Argenta Spaarbank level
- Fully disallowed banking tax deduction led to higher taxes

(1) Adjusted for IFRIC21

3. Increased mortgage production

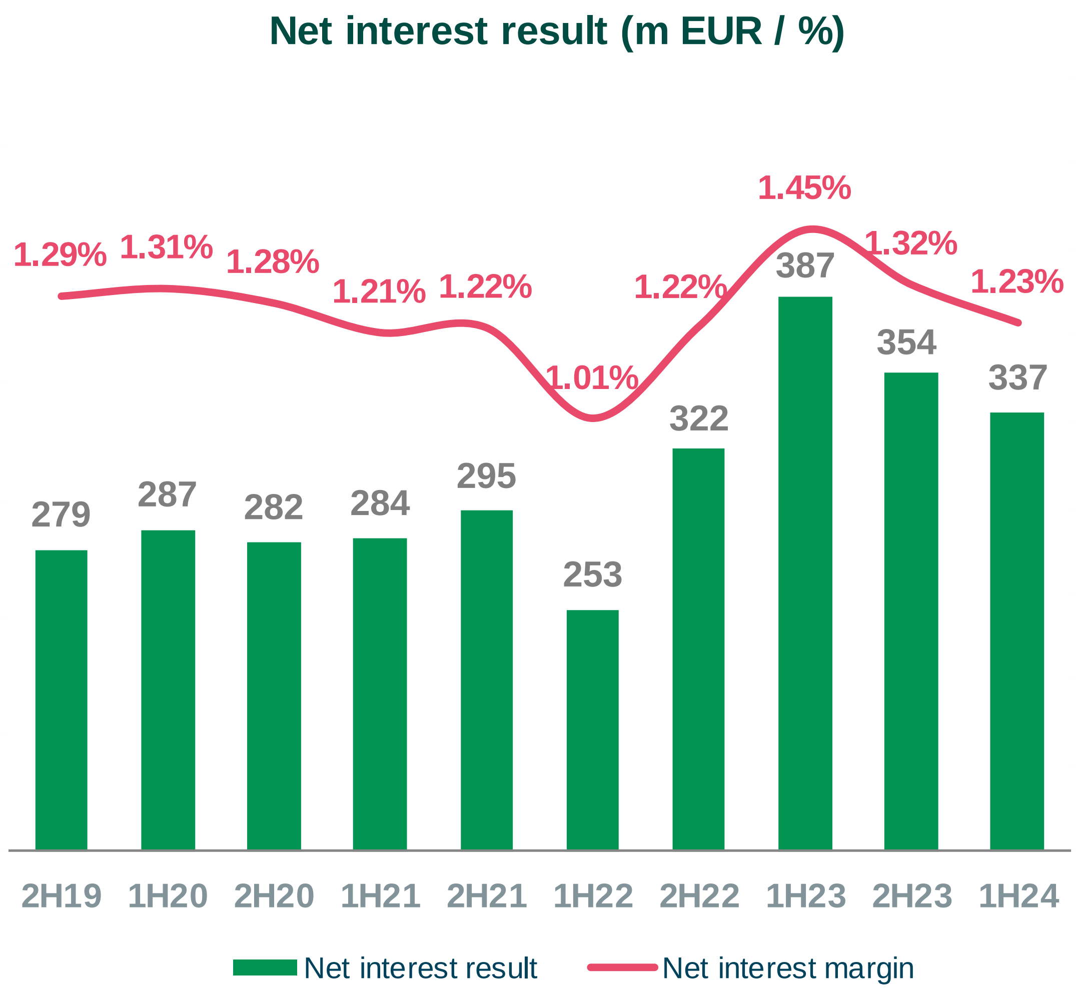
Mortgage production (bn EUR)[(1)]



- EUR 2.5 bn mortgage loans were granted in H1 2024 to Belgian and Dutch households. This represented an increase of 0.1bn or almost 5% vs H1 2023 and 0.6bn or almost 35% vs H2 2023
- Belgian production is in line with H1 2023 at similar rates with a slight increase in market share
- Pricing remained stable in the Netherlands with production 25% higher than H1 2023

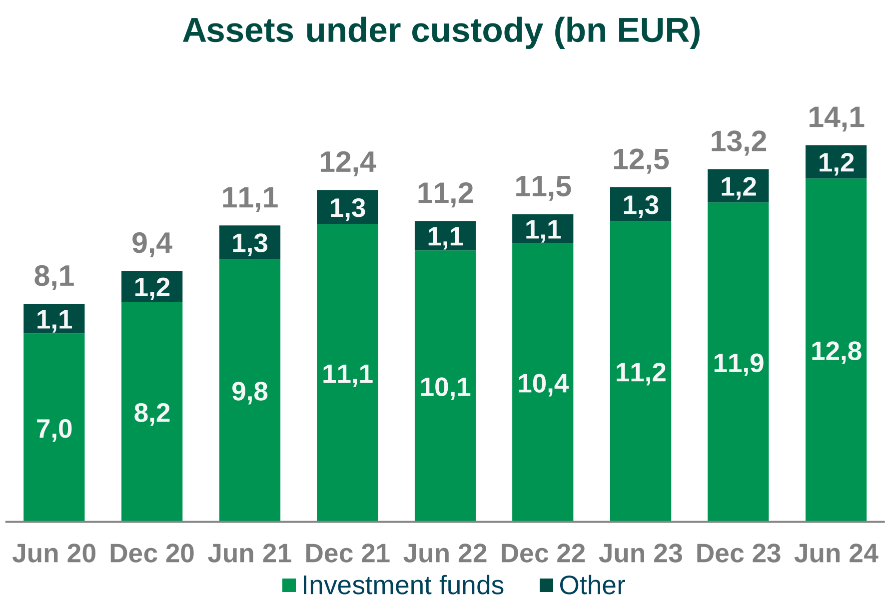
(1) New loans granted, including internal refinancings of existing loans from Argenta

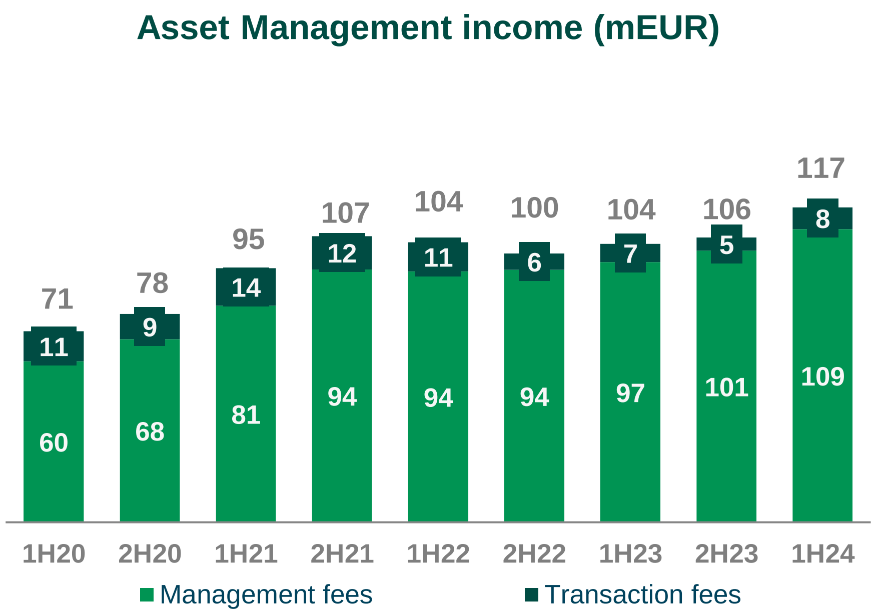
3. Recurring NII down given higher funding cost



- Recurring NII down as:
  - The funding cost increased due to higher client rates on retail funding, esp. on the 1-year term deposit in September 2023
  - The cost of wholesale funding was higher because of new issuances at increased rates and higher repricing cost on outstanding Green Apple's
- This was partly compensated by:
  - A higher average Portfolio yield on mortgages and the investment portfolio
  - The lower cost-of-carry on hedging instruments
- NIM was 1.23 %, down from 1.32% in H2 2023

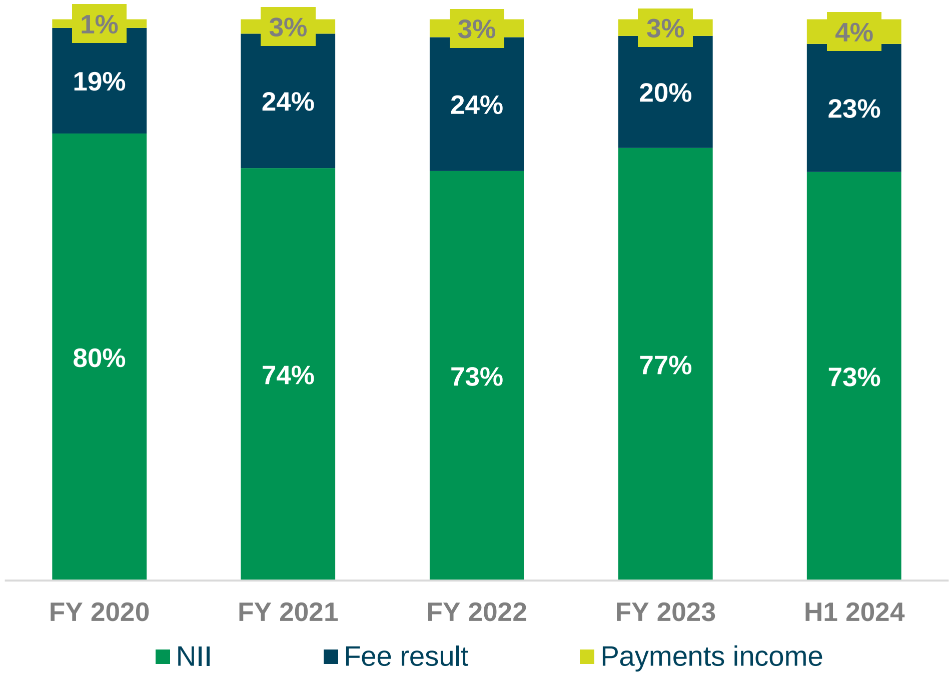
3. Net inflow and positive capital markets drove higher Asset management portfolio and income





- Favourable market conditions combined with net inflow of assets led to an increase in portfolio levels of EUR 0.9bn or 7%
- Asset Management fee income increased by 10% following the higher portfolio levels

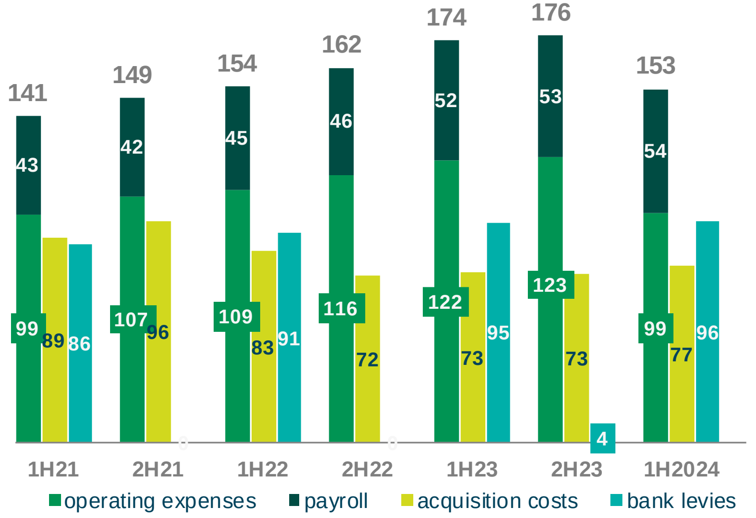
3. Increased income diversification following higher fee-income and lower NII



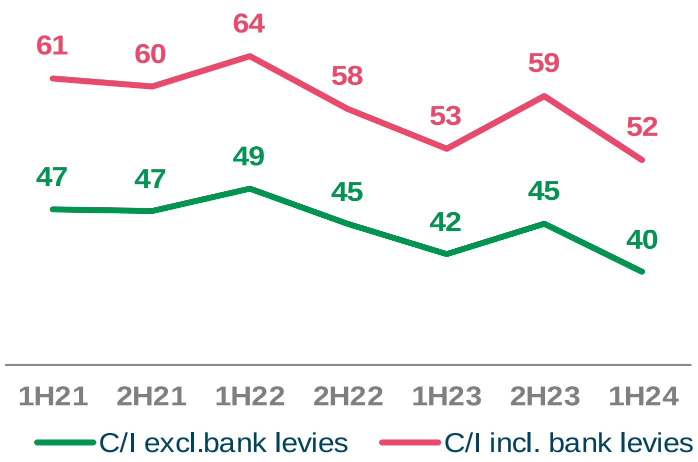
- Growth in fee income in combination with a normalisation of NII altered proportions in income diversification
- Commercial focus remains on strategic diversification between interest related and fee related products
- The proportion of non-interest related income increased from 23% to 27%

3. Lower C/I ratio driven by structural cost decline

Opex and acquisition costs[1] (m EUR)



Cost / income ratio (%)

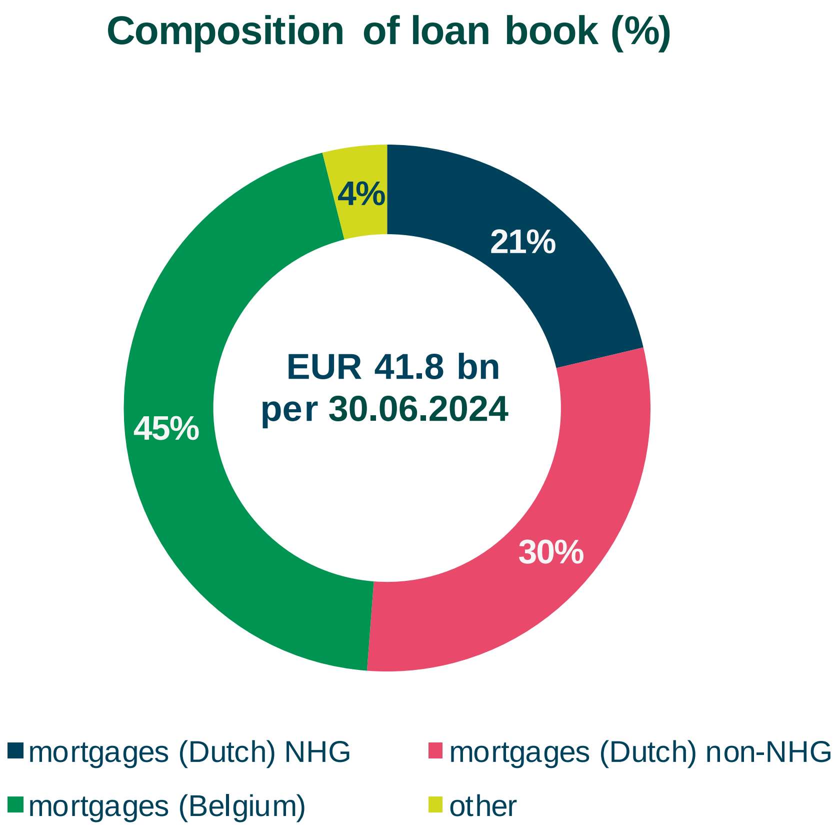


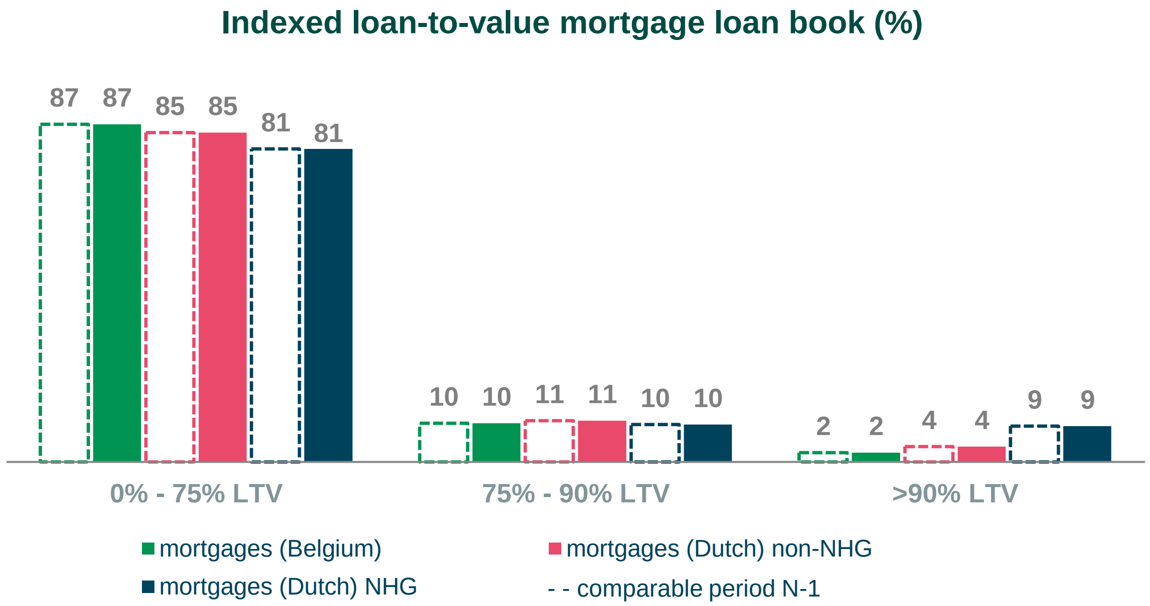
- Continued cost focus resulted in lower IT and consulting expenses, supplemented by an update of the intra-group cost allocation model
- Acquisition costs slightly increased compared to H1 2023
- Normalisation of interest income due to higher funding costs, only partly compensated by higher fee income
- C/I ratio improved to 52% and to 40% excluding bank levies

(1) Acquisition costs relate to commissions paid to the branch network for product distribution

4. Asset Quality

4. High-Quality Loan Book with stable composition



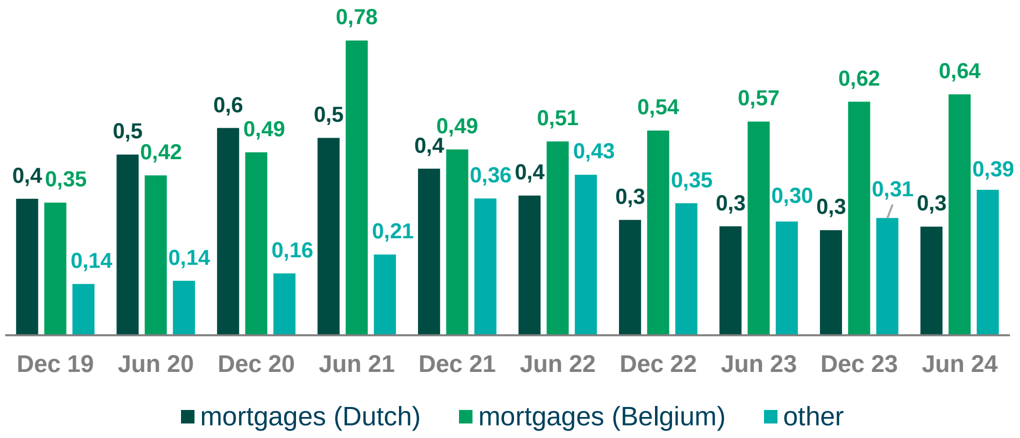


- Per 30/06/2024, 96% of the total loan book consisted of mortgage loans in Belgium and in the Netherlands. The remaining 4% were consumer loans, loans to local and regional governments and public-private partnerships
- The share of NHG[1] mortgages in the Netherlands remained stable at 42%
- The total average portfolio-LTV is at 52%.

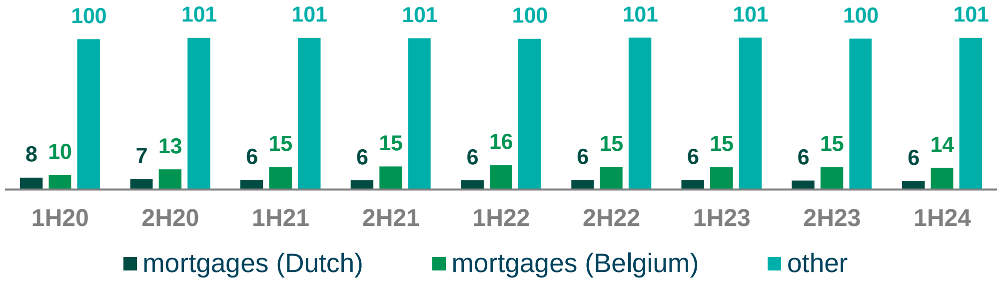
(1) NHG (National Mortgage Guarantee) is a guarantee scheme by the Dutch government on residential mortgages

4. Risk indicators remain low

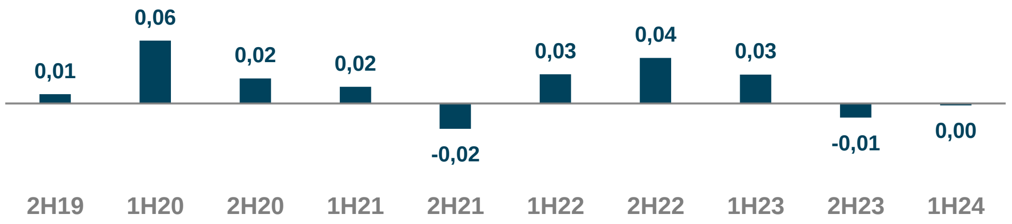
Non-performing loans ratio (%)



Coverage ratio[1] (%)



Cost of risk[2] (%)

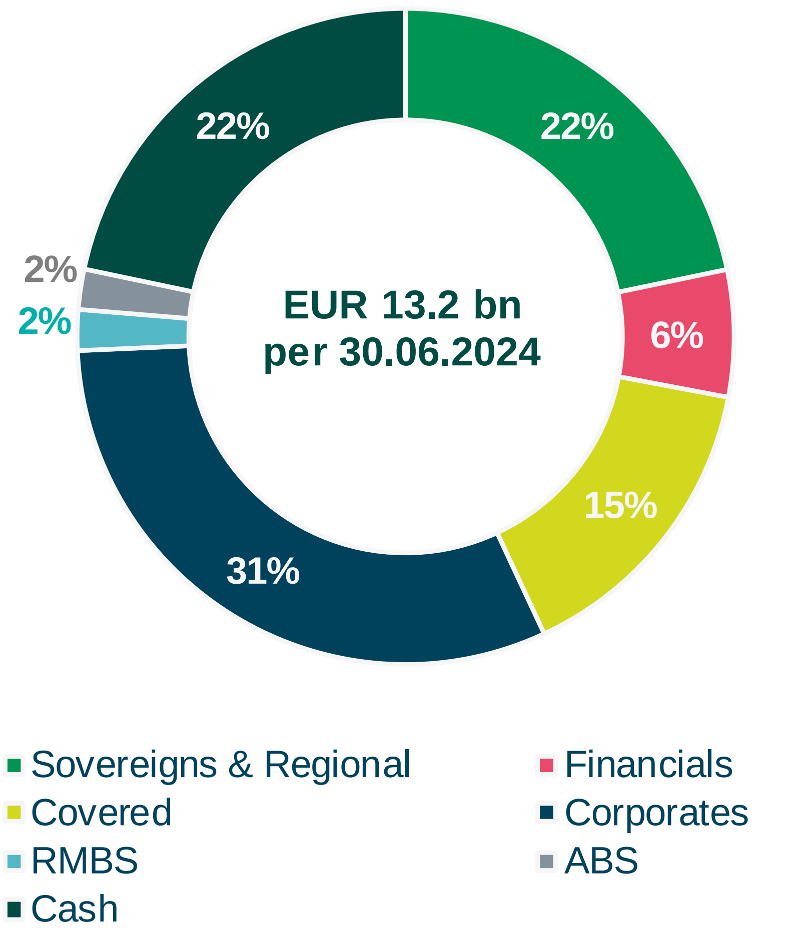


- Consistent with our low-risk business model, the risk indicators reflect low arrears and limited losses
- NPL-ratios remain stable at low levels, and the average coverage ratio of 12% on mortgages confirms the high quality of the prime mortgage collateral

(1) Coverage ratio: Specific (stage 3) impairments/Total outstanding NPLs
(2) Cost of risk: Change in impairments (collective (stage 1&2) and specific (stage 3)) / Average outstanding of total loan portfolio

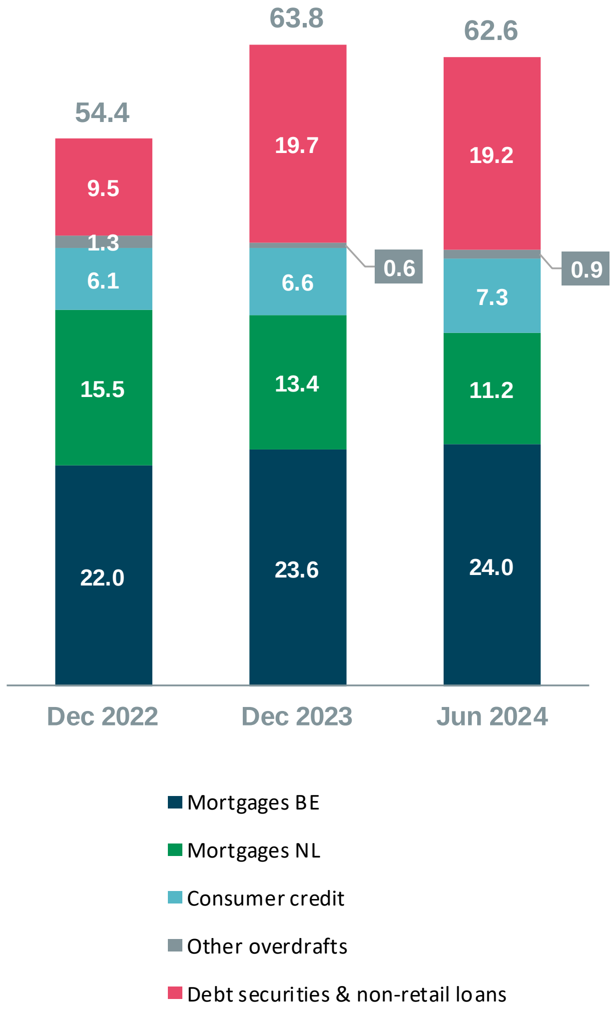
4. Diversified and Liquid Investment Portfolio

Exposure-type of investments (%)



- The portfolio increased from EUR 12.2bn at the end of 2023 to EUR 13.2bn
- Prudent investments with a relative increase in cash and sovereigns
- Low-risk portfolio with ESG exclusion criteria
- High quality investments: 52% of the portfolio is rated AA and above, and 99% of the portfolio is investment grade
- Exclusively euro-denominated with focus on European markets: 98% of portfolio in European Economic Area
- The unrealized result at fair value through OCI remained stable at EUR -72m

4. Lower stage 1/2 provisions as macro-economic outlook changed

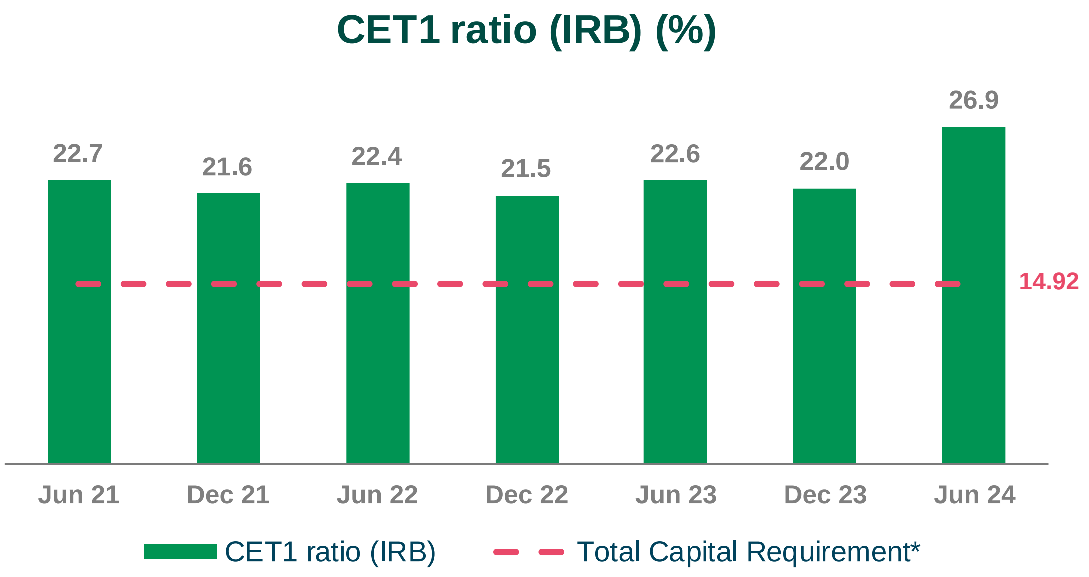


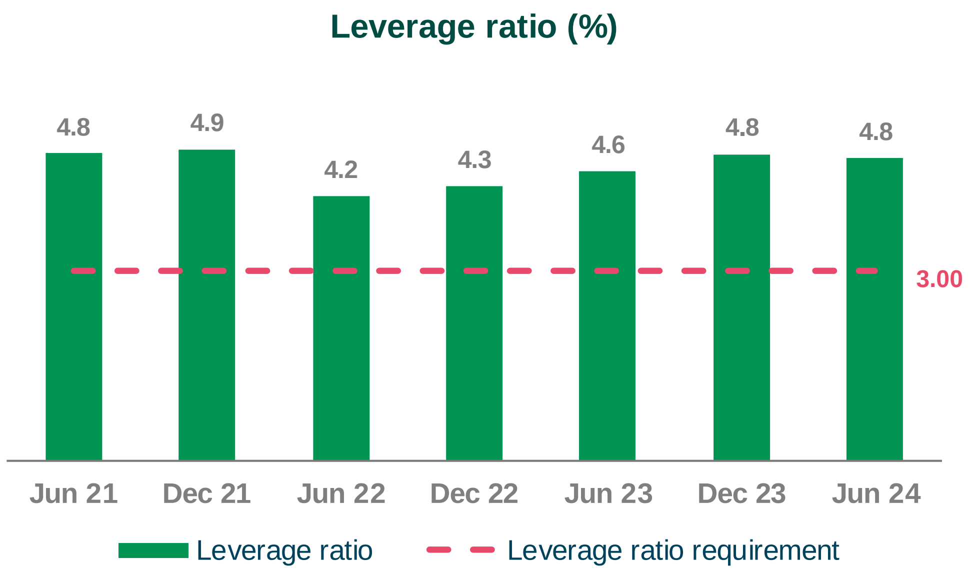
Decline of EUR 1.2m in IFRS9 provisions:

- Higher stage 2 impairments on the investment portfolio due to internal rating downgrades (+3.6m EUR), compensated by updated macro-economic outlook for stage 1 provisions (-3.3m EUR)
- Impairments on Dutch mortgages lower in stage 1 and 2 following updated macro-economic outlook on Dutch housing market
- Stable impairments on Belgian mortgages
- Consumer loans slightly up because of an increase in >90 days past due

5. Solvency and Liquidity

5. Solvency well above SREP requirement

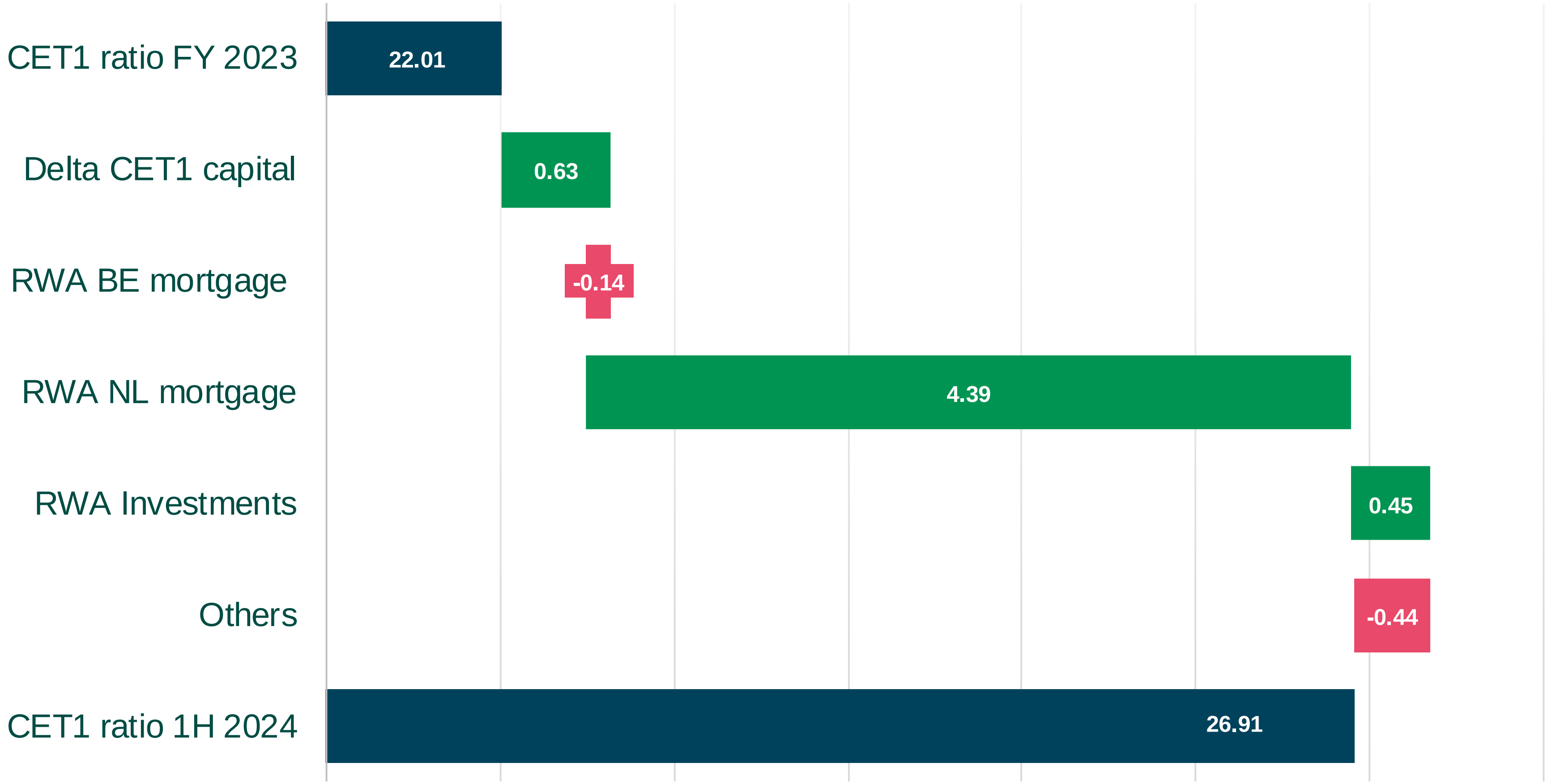




- The CET1 increased by 4.9pp to 26.9%, driven by the implementation of the updated IRB model for Dutch mortgages after approval by the regulator, with lowering impact on RWAs
- CET1 equity increased from the inclusion of H1 profits
- Total Capital Requirement increased to 14.92% from 14.33% due to upwards adjusted CounterCyclical Buffer (mainly NL)
- The leverage ratio remained stable at 4.80%

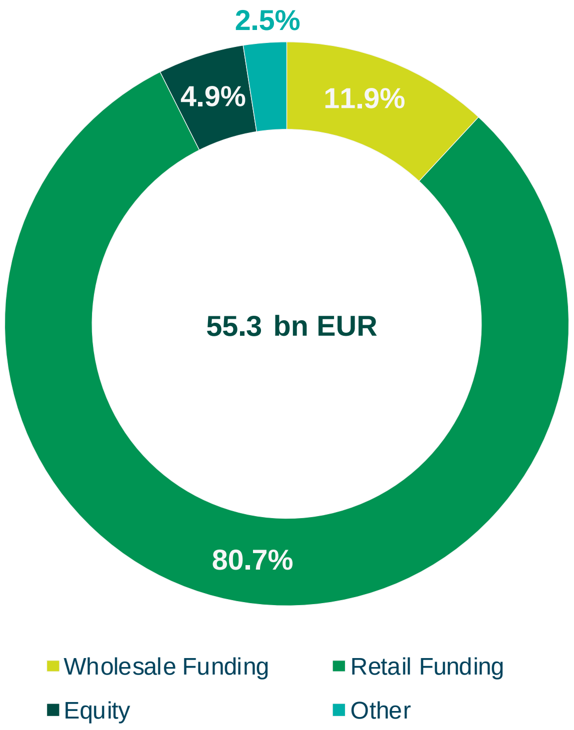
* Aspa's Total Capital Requirement is fully met with CET1 capital

5. CET1-evolution breakdown (%)



4.39% decrease of RWA NL mortgage represents a decrease in RWA of EUR 2bn

5. Funding and Liquidity Position



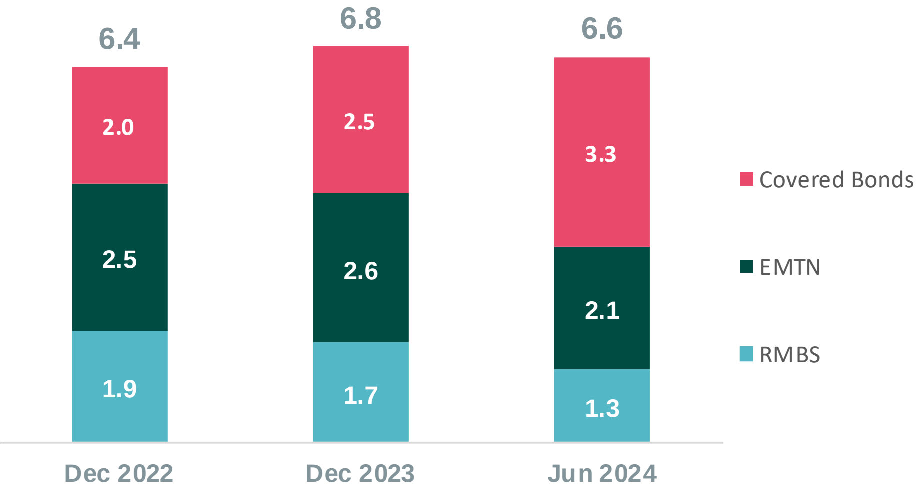
In %	Dec 22	Jun 23	Dec 23	Jun 24
Liquidity coverage ratio[1]	186	192	219	242
Net stable funding ratio[2]	142	141	140	146

- Strong liquidity position, well above regulatory limits for both LCR and NSFR.
  - Strong growth in retail funding that was partially held in cash, increased the LCR to 242%
  - The NSFR increased to 146%.
- Retail deposits remain by far the most dominant funding source.
- Argenta further diversified its funding by issuing a benchmark covered bond in February 2024 and creating a certificate of deposits debt programme.

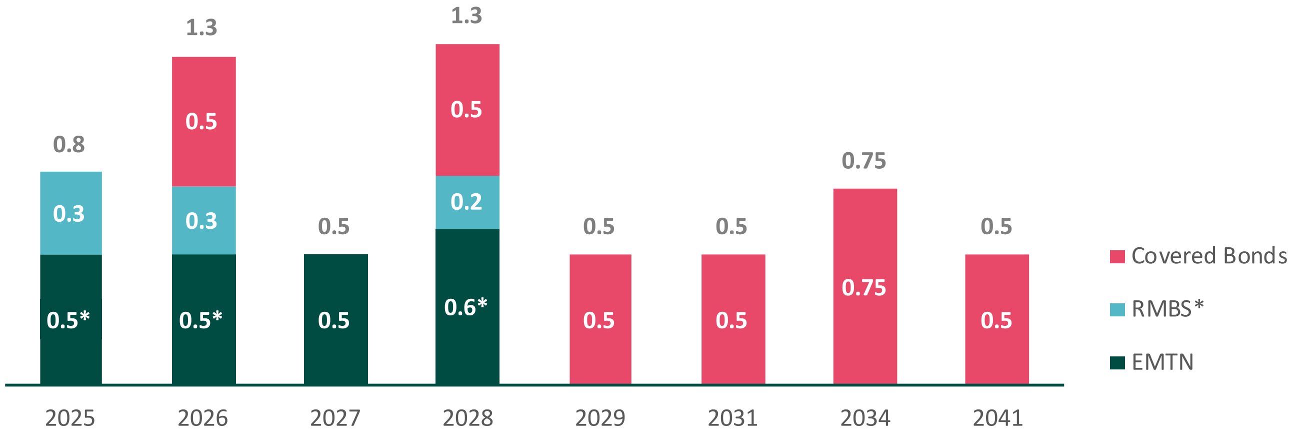
(1) Basel III
(2) EU Delegated Act

5. Capital Markets Footprint

WHS Funding outstanding (EUR bn)



Debt Maturity Profile (EUR bn)



* Call

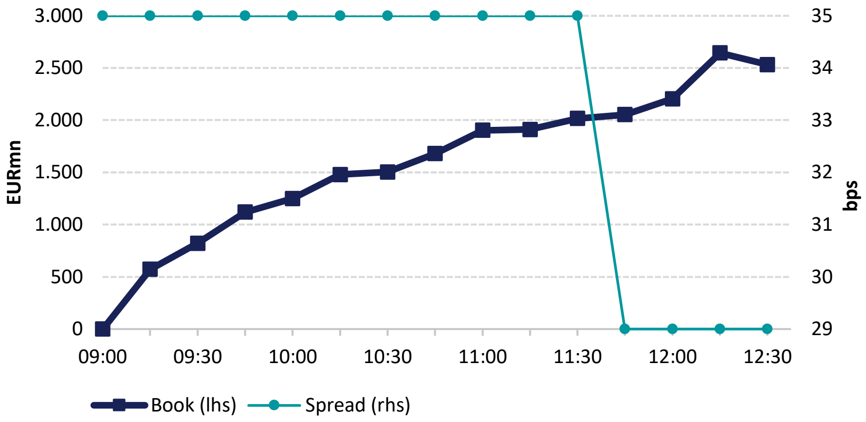
- Stable volume outstanding
- Shift from RMBS to Covered Bonds in line with market trend
- The only SP in the EMTN programme matured in February 2024
- Two SNP’s and one CB are green format

5. EUR 750mn 3 Years Green Covered Bond

Terms & Conditions

Issuer	Argenta Spaarbank SA/NV (Ticker: ARGSPA)
Issue Type	Belgian Mortgage Pandbrieven
Exp. Issue Rating	AAA (S&P)
Volume	EUR 750 million
Settlement/ Maturity	25 October 2024 / 25 October 2027
Coupon / Reoffer Yield	2.500% / 2.566%
Reoffer Price / Spread	99.812% / MS +29bp
Listing / Denom.	Luxembourg Stock Exchange / EUR 100k / 100k
ISIN	BE6356934396
Documentation	Belgian Mortgage Pandbrieven Programme base prospectus (dated 4 October 2024)
Bookrunners	ABN AMRO, LBBW, Natixis and NORD/LB

Bookbuilding Process



2024

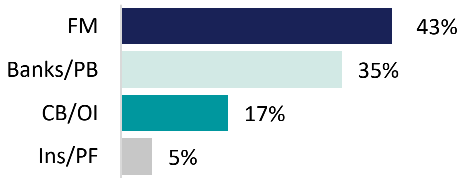
ARGENTA

Oct 2024 – Oct 2027
2.500%

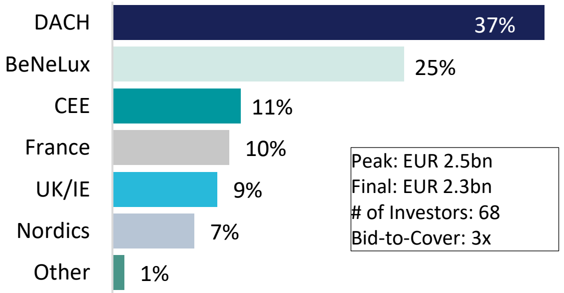
Covered Bond

750,000,000 €

Allocation by Investor Type



Allocation by Region



Peak: EUR 2.5bn
Final: EUR 2.3bn
# of Investors: 68
Bid-to-Cover: 3x

Transaction Highlights

- Following the inaugural green EUR Covered bond Benchmark in January, Argenta Spaarbank announced a new 3-year green EUR Benchmark Covered Bond on October 15th, 2024. This transaction has been Argenta's second visit to the bond markets in 2024.
- Backed by a positive market environment and a good number of IOIs, the book opened the next morning at MS +35bp area and saw an immediate inflow of large orders by German bank treasuries as well as UK and French asset managers.
- The tenor has been proven a perfect choice, with the book crossing the EUR 1bn threshold in less than one hour and a final book size of around EUR 2.5bn. The strong investor response with 68 accounts allocated allowed a tightening of 6bp to a reoffer level of MS +29bp and fixing the volume at EUR 750mn. Seeing the fair value at MS +26bp, the new Argenta bond offers a new issue premium of 3bp.
- More than a third of the allocation went to the >30 investors out of the German speaking region which clearly underpins the importance of this investor community for any covered bond transaction.

Key Insights

- The 3-year segment continues to attract strong demand from a diverse range of investors, contributing to a well-diversified order book.
- Given the steep spread curve, a 3-year maturity strikes a thoughtful balance between competitive pricing for the issuer and an appealing spread for investors.
- While some accounts remain sensitive to spread levels — leading a few to withdraw after the final terms are announced — others are holding off to place their orders until the terms are confirmed.

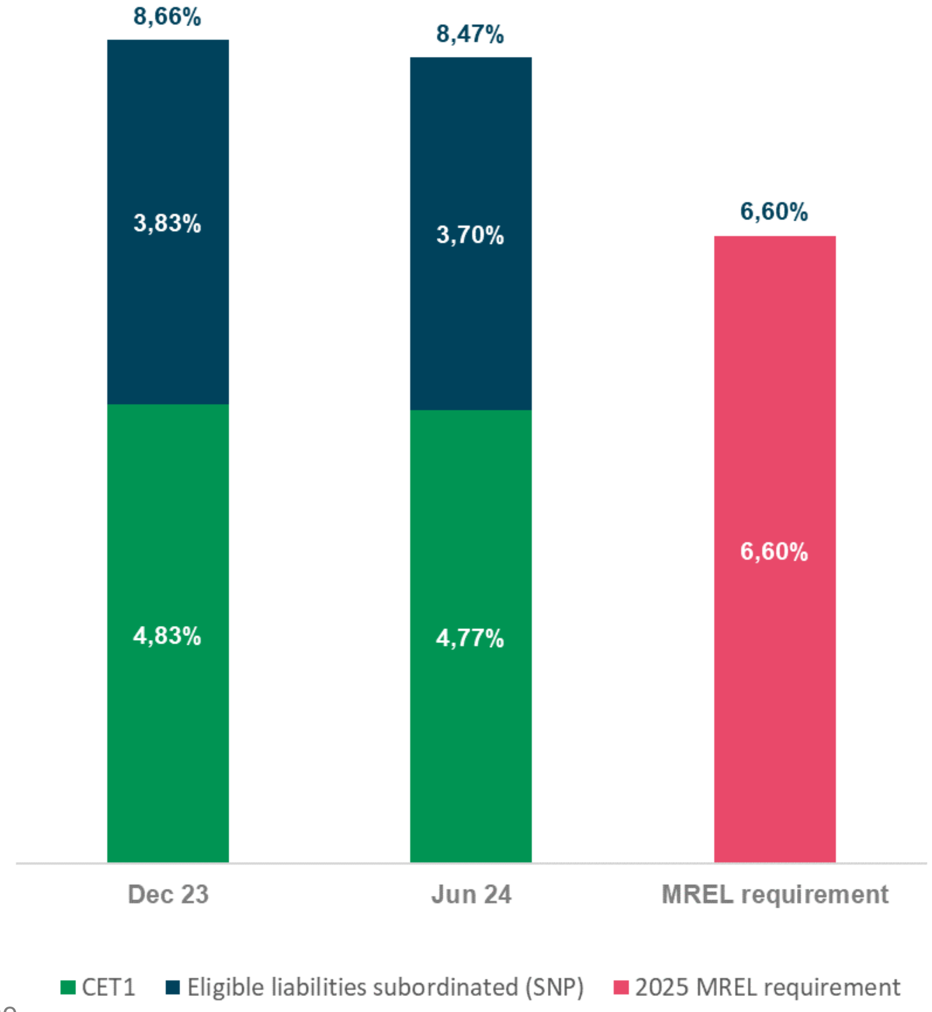
Transaction Timeline

Books Open
09:00 CET
- Guidance: MS +35bp area
- Size: EUR benchmark

Book Update #1
09:50 CET
- Books above EUR 1bn (excl. JLM)

Final Terms
11:45 CET
- Books above EUR 2bn (excl. JLM)
- Spread set at MS +29bp
- Size EUR 750mn

5. MREL ratio (in terms of LRE)



- The 2025 MREL requirement is set at 6.6%, fully subordinated. That is lower than 7.78% in 2024 as the SRB applies a downward adjustment to the 8% TLOF target level by which it recognises a.o. the satisfactory progress towards resolvability (yearly reviewed case-by-case assessment)
- The MREL ratio was at 8.47% in June 2024 (=47,82% TREA). At that time the buffer was 394m EUR of own funds and eligible liabilities. In other words, this also means that the balance sheet can grow by 5bn EUR without the need for additional funding to meet the requirement
- The YTD decrease in the MREL-ratio can be explained by an increase in the leverage ratio exposure (LRE)

6. Covered Bond

6. Amendments to the Belgian legal Framework
Tests Pursuant to the Belgian Framework (1/2)

85% Asset Coverage Test

The value of cover assets falling within one of 3 categories (residential mortgage loans, commercial mortgage loans, public sector exposures) must represent at least 85% of the nominal amount of the outstanding Covered Bonds

- The test prevents mixed asset covered bond programmes

105% Over-Collateralisation Test

The value of cover assets must represent at least 105% of the nominal amount of the outstanding Covered Bonds

- The test ensures a minimum OC of 5% at all times
- *Amendment: Correction for principal that was used to cover interest shortfall in the amortization test (Art 5 RD)*

Valuation of Residential Mortgages

- Minimum of:
  - The outstanding loan amount
  - 80% of the market value of the real estate
  - The amount of the mortgage inscription + mortgage mandate
  - The amount of the mortgage inscription divided by 0.6
- Value of 30+ days delinquent loans reduced by 50%
- Defaulted loans (i.e. 90+ days delinquent loans) have no value

6. Amendments to the Belgian legal Framework
Tests Pursuant to the Belgian Framework (2/2)

Amortisation Test

The sum of revenues (interest, principal and all other revenues) generated by the cover assets must be equal to or greater than the amount of interest, principal and costs related to the outstanding Covered Bonds and their management

Amendment: value of principal proceeds limited to the value of cover assets (Art 5 RD)

Liquidity Test

The cover assets must generate sufficient liquidity over a 6 month period or contain sufficient liquid assets to enable the issuer to meet all unconditional payments falling due during the following 6 months

6. Main Issuer Covenants

- The assets in the Special Estate will comply with the following covenants:
  - The Special Estate will mainly consist of **Residential Mortgage Loans**
  - The Special Estate will not contain any commercial mortgage loans or any residential mortgage loans with movable purpose, any RMBS, any CMBS or any other asset backed securities
  - The Residential Mortgage Loans will be **fully drawn**
  - The Residential Mortgage Loans have a current loan to current value **(“CLTCV”) ratio of maximum 120%**
- **Over-Collateralisation Test**: the cover asset value of the Residential Mortgage Loans will at all times represent at least **105%** of the aggregate outstanding principal amount of the Mortgage Pandbrieven of all Series
- **Liquidity Test**: the Special Estate will at all times include liquid bonds that are ECB-eligible and credit quality step 1 to cover **interest due and payable** on the outstanding Mortgage Pandbrieven **within a period of six months**
- **Investor Reporting:** the issuer will provide **monthly investor reports** which will be made available on the website of the issuer at www.argenta.eu

Source: Argenta’s EUR 7.5bn Belgian Mortgage Pandbrieven Programme Prospectus

6. Covered Bond Rating

S&P Covered Bond Rating	
Expected Covered Bond Rating	AAA
Issuer Rating	A
Required Overcollateral (March 2024)	10.45%
Rating Leeway	4 notches
Systemic Importance	Very Strong
Legal Framework	Very Strong
Resolution Regime Uplift	+ 2 notches
Jurisdictional Support Uplift	+ 2 notches
Collateral Support Uplift	Up to 4 notches

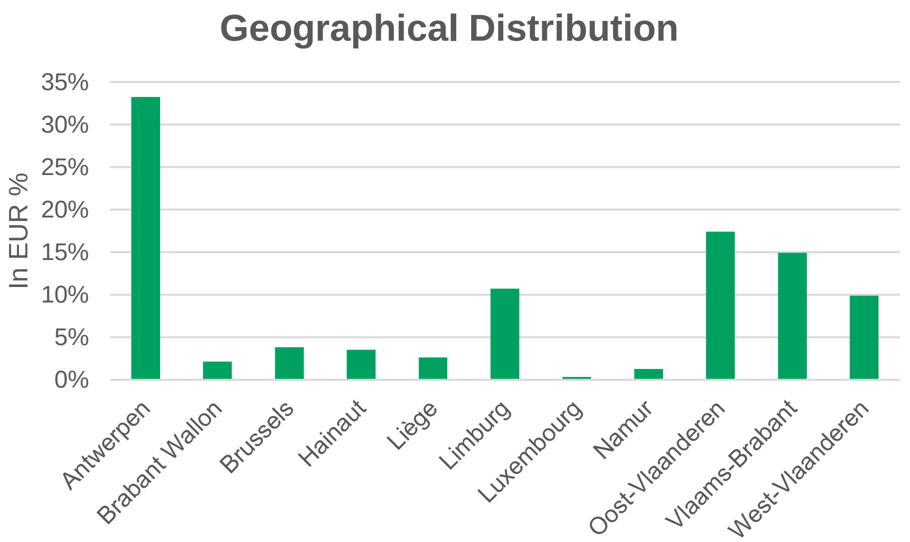
Source: S&P Argenta CB – Transaction Update

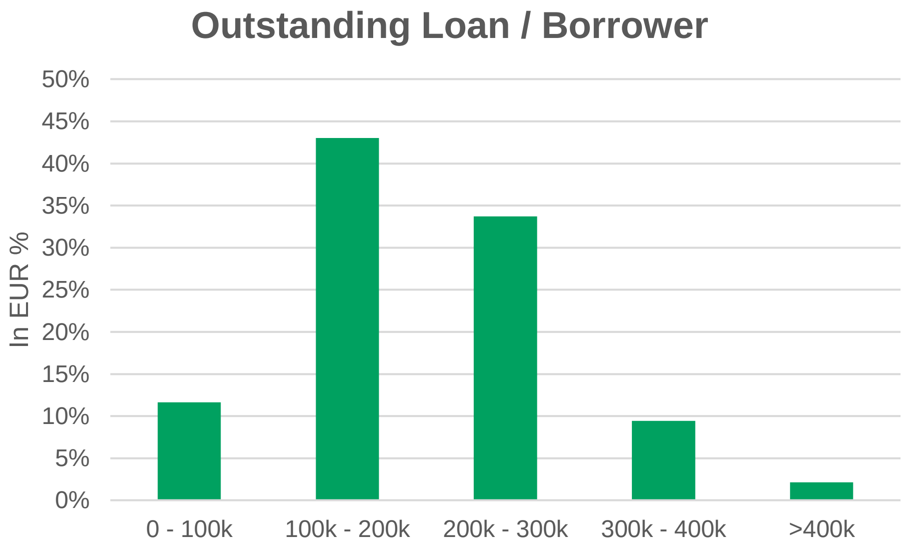
6. Cover Pool Summary

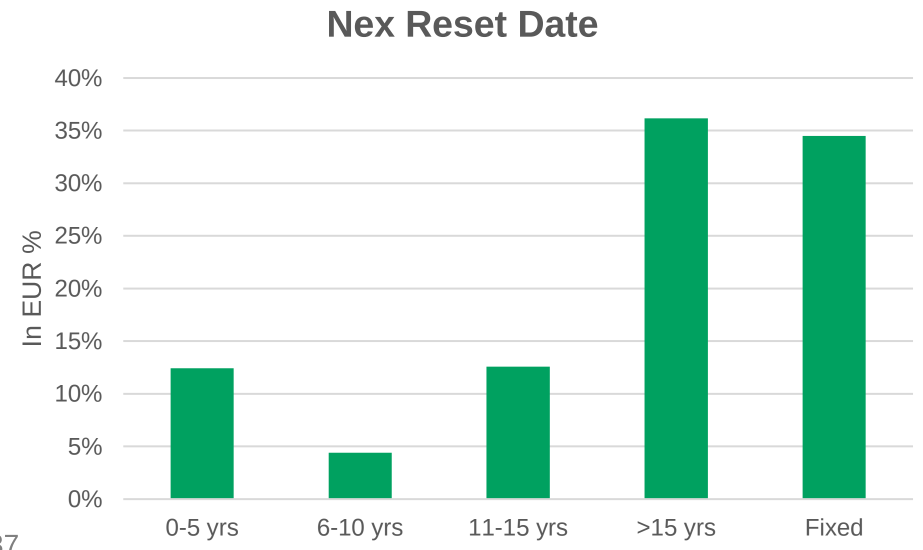
Summary Table (Cut-off 30/10/2024)	
Cover Pool Notional	EUR 5,524,165,638
Cover Asset Value Residential Mortgage Loans	EUR 5,182,552,711
Available Credit Enhancement	25.09%
Number of Loans	59,930
Number of Borrowers	37,370
Weighted Average Initial Loan To Original Value (“ILTOV”)	78.00%
Weighted Average CLTCV	52.76%
Weighted Average Remaining Life (in years, CPR=0)	9.29
Interest Rate Type (Fixed / Resettable)	34.47% / 65.53%
Average Outstanding Balance per Borrower	147,824
Weighted Average Interest Rate	1.87%
No Forex Risk	Only EUR denominated assets & liabilities
No Derivatives	Interest rate risk hedged through natural hedging and over-collateralisation
Arrears, Defaults and Payment Holidays	None at cut-off date

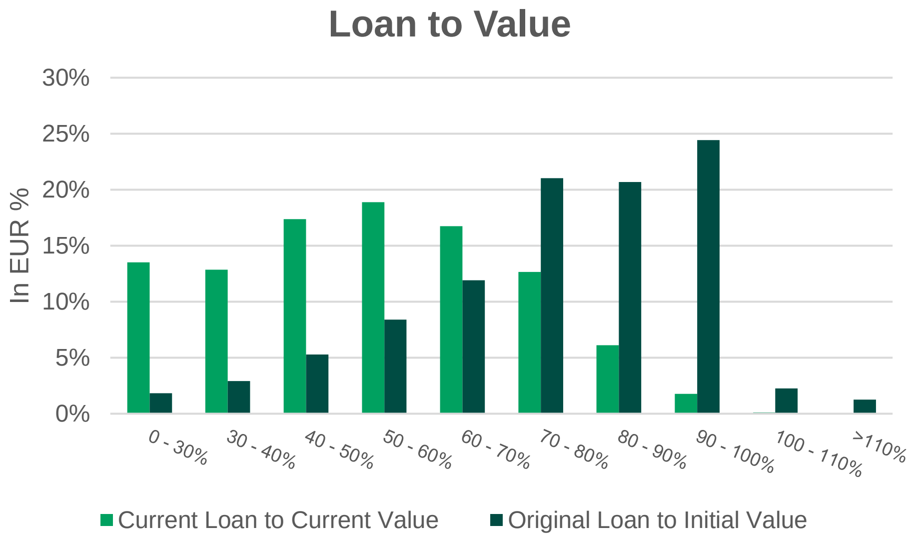
Source: Argenta’s investor report 30/10/2024

Cover Pool : Stratification Tables









Source: Argenta's investor report 30/10/2024

7. ESG

7. Green Bond Framework

Rationale

- **Align** our funding strategy with our sustainability strategy
- Promote the growth of the Green Bond Market and address investor's willingness to finance **sustainable green buildings**
- Establish a **platform** which allows to issue Green Bonds in various formats

1 Use of Proceeds

- ✓ Argenta intends to allocate the net proceeds of the Green Bonds to a Green Loan Portfolio of new and existing loans, the "Eligible Green Loan Portfolio"
- ✓ Green Residential Buildings located in Belgium and in the Netherlands

2 Project Evaluation & Selection

- ✓ Projects financed and/or refinanced are evaluated and selected based on compliance with the Green Bond eligibility criteria described in the Use of Proceeds
- ✓ A Green Bond Committee will assess the eligibility and allocate the proceeds to Eligible Green Loans

3 Management of Proceeds

- ✓ Argenta intends to allocate the proceeds from the Green Bonds to an Eligible Green loan Portfolio, selected in compliance with the use of proceeds criteria and evaluation and selection process
- ✓ Proceeds from Green Bonds will be managed by Argenta's Green Bond Committee based on a portfolio and aggregated approach

4 Reporting

- ✓ Allocation reporting: Argenta will prepare an annual report with the status of Argenta's Green Bond proceeds allocation
- ✓ Impact reporting: Argenta intends to report on the impact of the Eligible Green Portfolio

5 Second Party Opinion

- ✓ Argenta's Green Bond Framework has been reviewed by Sustainalytics who has issued a Second Party Opinion

SUSTAINALYTICS

7. Sustainability pillars & targets

The sustainability action plan sets forth our concrete steps towards making a targeted impact. Argenta is focusing on the five SDGs with which we can achieve the greatest impact. We are combining our aspirations in the three pillars or ESG dimensions of sustainability.

Environment
Banking should not cost trees

Argenta wants to contribute to a climate-neutral society when dealing with its capital flows and business activities. We are committed to **reduce our impact** systematically by 2050 **in line with the 1,5°C Paris climate objectives**.
This is why we aim for a sustainable mortgage portfolio and focus on positive impact through the sustainable investment strategy of our asset management funds and investment portfolios.

Social
Simplicity and proximity

Argenta wants to be **financially and digitally inclusive**. We focus on social issues such as equality, inclusion, accessibility and security. We make banking and insurance accessible to all our customers through **simplicity**. We are nearby our customers through our **locally anchored branch network.**

Governance
Ethics & transparancy

Sustainability is a fundamental part of what Argenta stands for, what it does and how. It is inextricably linked with **ethics and integrity**. We apply these principles in the way we act towards our customers, employees and society.

TARGETS

Environment:

- ✓ Reduce financed emissions cfr. **1,5°C scenario by 2050**
  - 44% EPC A/B in mortgage portfolio by '26
  - 250 mio/year sustainable renovation loans
  - 100% of funds are art 8 or 9 SFDR
- ✓ Reduce **operational footprint HQ** with **-50%**
- ✓ Implement **ESG and climate risk policy**

Social:

- ✓ **Lead in simplicity** (cfr. Brandtracker)
- ✓ Min. customer **NPS of 50**, at least **80% of employees engaged**
- ✓ Full integration of **ESG** in customer offering

Governance:

- ✓ Strong **commitment** of **top management** in ESG
- ✓ **Diversity**: min. 33% women in BoD and ExCo
- ✓ Implement **Code of Conduct** and raise **employee awareness** on sustainability
- ✓ Embed sustainability in **procurement policy**

7. ESG-policy targets on credibility

	Ambition	KPI's	Status Q2
Update Charter Sustainability	Sustainability is very much alive in our organization, including in the branches. Employees are positively engaged on sustainability.	• At least 80% have a positive image of Argenta in terms of sustainability. • Source: Ipsos stakeholder survey on sustainability	HQ: 89% Branches: 82%

Environmental policy	We are in line with the Paris Agreement, supporting the goal of limiting warming to 1,5°C by 2050.	• Reduction targets cf. transition pathways are defined per business activity and are monitored within the risk management framework
		  • 44% EPC A/B in mortgage portfolio BE by '26
		  • 250 mio/year sustainable renovation loans
			31% EPC A/B mortgages BE
			128 mio renovation loans

Sustainable procurement policy	Our partners and suppliers share our sustainable values. We choose long-term relationships.	• 100% of the strategic suppliers subscribe to Argenta's sustainability charter. By strategic suppliers we mean the top 50 largest suppliers who together account for at least 80% of the budget for purchases in Belgium and the Netherlands.	100% engaged strategic suppliers
Code of conduct	The organization is aware of the code of conduct and sees the broader link to sustainability.	• To be further developed in collaboration with Compliance, for example: targeted training, attachment to employment contract, publication through various internal channels,...	Under development
Diversity and inclusion	We are an inclusive organization. We embrace diversity.	• At least 80% of employees consider Argenta an inclusive work environment. • Source: well-being survey	Under development
Sustainable investment	Every euro is valuable. We deal sustainably with the cash flows we manage.	• 100% of investment funds comply with Art. 8 or 9 cfr. SFRD. • 0% investment in fossil fuels starting in 2030. • All entities apply Argenta's exclusion policy.	100% SFDR-aligned Exclusion policy implemented

8. Glossary

8. Glossary (1/2)

ABS	Asset-backed security
Argenta Assuranties	Consolidation scope of the legal entities Argenta Assuranties (parent) and Argenta-Life Nederland (subsidiary).
Argenta Group	Consolidation scope of the legal entities Argenta Bank- en Verzekeringsgroep (parent) and Argenta Spaarbank, Argenta Asset Management, Argenta Assuranties, Argenta-Life Nederland (subsidiaries).
Argenta Spaarbank	Consolidation scope of the legal entities Argenta Spaarbank (parent) and Argenta Asset Management (subsidiary).
Assets under Custody or AuC	Client investment products held on custody accounts.
Common Equity Tier 1 ratio or CET 1	[common equity tier 1 capital] / [total weighted risks]
Cost of Risk or CoR	[net changes in specific and portfolio-based impairments for credit risks] / [average outstanding loan portfolio]
Cost/income or C/I	[operating expenses of the period] / [financial and operational result of the period] Operating expenses include administration expenses, depreciation and provisions. Financial and operational result includes net interest income, dividend income, net income from commissions and fees, realised gains and losses on financial assets and liabilities not measured at fair value in the income statement, gains and losses on financial assets and liabilities held for trading, gains and losses from hedge accounting, gains and losses on derecognition of assets other than held for sale and other net operating income. The numerator is adjusted for (exceptional) items which distort the P&L during a particular period in order to provide a better insight into the underlying business trends. Adjustments relate to bank levies which are included pro rata and hence spread over all halves of the year instead of being recognised upfront (as required by IFRIC21).
Cost/income or C/I exl. Bank levies	[operating expenses of the period - bank levies of the period] / [financial and operational result of the period]
CRR	Capital Requirements Regulation
IFRIC	International Financial Reporting Interpretations Committee
Leverage Ratio or LR	[regulatory available tier-1 capital] / [total exposure measures]. The exposure measure is the total of non-risk-weighted on and off-balance sheet items, based on accounting data. The risk reducing effect of collateral, guarantees or netting is not taken into account, except for repos and derivatives. This ratio supplements the risk-based requirements (CAD) with a simple, non-risk-based backstop measure
Liquidity Coverage Ratio or LCR	[stock of high quality liquid assets] / [total net cash outflow over the next 30 calendar days].
Loan-to-deposit or LTD	[loans-and-receivables] / [customer deposits and customer debt certificates]

8. Glossary (2/2)

MREL	Minimum requirement for own funds and eligible liabilities
Margin on mortgages	Gross margin or [Client rate] - [Swap rate]
Net interest income or NII	[revenues generated by interest-bearing assets] - [cost of servicing (interest-burdened) liabilities]
Net interest margin or NIM	[net interest income of the period] / [average total assets of the period] Total assets are used as a proxy for the total interest-bearing assets.
Net stable funding ratio or NSFR	[available amount of stable funding] / [required amount of stable funding]
NFCI	Net Fee and Commission Income
NHG	Nationale Hypotheek Garantie (National Mortgage Guarantee) is a guarantee scheme by the Dutch government on residential mortgages
Non-performing loans ratio or NPL ratio	[total outstanding non-performing loans] / [total outstanding loans]
NPS	Net Promotor Score
O-SII	Other systemic important institutions
Operating Expenses	Expenses excluding payroll, bank levies and commissions paid to independent branch agents
Return on equity or RoE	[net profit of the period] / [equity at the beginning of the period]
RMBS	Residential mortgage-backed security
SREP	Supervisory Review and Evaluation Process performed by the European Central Bank
Tier 2	Tier 2 capital is the secondary component of bank capital, in addition to Tier 1 capital
Total Capital ratio or TCR	[common equity tier 1 capital + additional tier 1 instruments + tier 2 instruments] / [total weighted risks]

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