



# Argenta Bank- en Verzekeringsgroep nv\*

Pillar 3 disclosures

Capital adequacy & risk report

## 2025

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# 1. Introduction

Pursuant to the Capital Requirement Regulation (CRR) and the Capital Requirement Directive (CRD) of the European Union (EU), this report is published on an annual basis. It contains all the information that is relevant for assessing the risk profile and capital adequacy of Argenta Bank- en Verzekeringsgroep nv, or BVg for short (hereinafter the “Company”). The report is prepared annually, following a pre-defined method, and validated by management.

It provides insight into aspects like the capital position, the size and composition of the capital and its relationship to, inter alia, credit, market, settlement and operational risk, expressed in risk-weighted exposure amounts.

The Pillar 3 report contains information on all subjects included in the directives and implementing regulations, insofar as they apply to BVg:

- Part Eight of CRR (Disclosure by institutions – better known as Pillar 3 disclosures, see section 1.3. for detailed index) (Implementing Regulation (EU) 2024/3172 and EBA/ITS/2024/05);
- Disclosure of MREL requirements (Article 45i of the BRRD).

Only relevant fields and fields with values are shown in these disclosures, as well as in the tables appended to this report. Taking into account the fact that the European Banking Authority (EBA) encourages financial institutions to publish the tables and templates in an editable format, the Company has opted to publish the relevant tables and templates in a separate Excel appendix to these Pillar 3 disclosures. Pillar 3 reporting is also submitted to the central Pillar 3 data hub developed by the EBA.



The information in these Pillar 3 disclosures is consistent with, and partially overlaps, that given in the integrated annual reports (BVg and its subsidiary Argenta Spaarbank). Consequently, these disclosures should be viewed in conjunction with, inter alia, section 8.9. “Discussion of the consolidated financial statements” – Note 4. “Risk management” in the integrated annual reports.

## 1.1. Argenta Bank- en Verzekeringsgroep – Profile

The Company is registered in Belgium under Belgian law. Its legal form is that of a public limited liability company (*naamloze vennootschap*). The Company has been established for an unlimited duration. The Company’s registered office is at Belgiëlei 49-53, 2018 Antwerp.

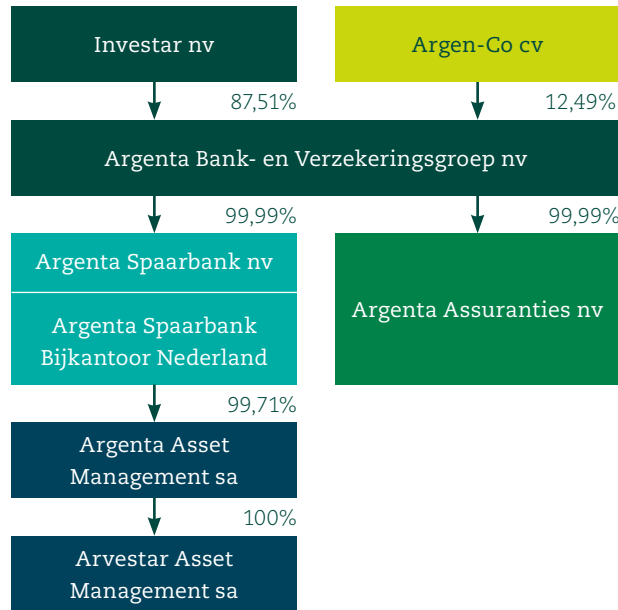
The Company has the status of a mixed financial holding company, a parent company which is not a regulated company and which is at the head of a financial conglomerate pursuant to Art. 3, indent 39 of the Banking Act.

The Company consolidates and jointly manages the subsidiaries Argenta Spaarbank (Aspa) and Argenta Assuranties (Aras).

Aspa, together with its branch office in the Netherlands and the management subsidiaries <sup>1</sup> Argenta Asset Management (AAM) and Arvestar Asset Management (Arvestar), forms the Bank Pool. The Bank Pool, the insurer Aras and BVg are collectively referred to as the Argenta Group.

<sup>1</sup> With a view to centralising asset management activities, a cross-border merger took place on 1 January 2026, in which Arvestar Asset Management acquired its parent company Argenta Asset Management. As a result of the merger, Argenta Asset Management was dissolved. Operational activities in Luxembourg will continue with a branch office. In addition, the company name was changed from “Arvestar Asset Management” to “Argenta Asset Management” and the registered office of the management company was moved from Brussels to Antwerp.

The presentation below gives an overview of the overall structure of the Argenta Group on 31 December 2025.



The Company is the holding company of the Argenta Group. Its activities encompass Internal Audit, Compliance, Risk & Validation, Non-Financial Risk Management & Supervisory Office, Legal Affairs, Human Resources and Secretariat-General. These activities are organised centrally for all Argenta Group companies.

The Company is subject to the CRR and CRD legislation, and the insurer Aras is subject to the Solvency legislation. Given the dissimilarities between these two sets of “capital” legislation, CRR consolidation is carried out for reporting at the consolidated BVg level. This is a consolidation excluding the insurance company (i.e. a consolidation of the Bank Pool with BVg on an unconsolidated basis).

An important element at the BVg CRR consolidation level is the application of the Danish Compromise (DC). This is a methodology which, subject to approval by the regulator, can be applied by mixed financial holding companies.

Under this method, the value of the insurance participation does not have to be deducted from equity. The participation value, as additional exposure, needs to be weighted at 250% (a risk weighting of 370% applied until 2024).

In 2021, Argenta received a derogation, allowing it to apply the historical cost method (instead of the equity method) for the measurement of the insurance participation in the CRR consolidation.

As a financial conglomerate with significant banking and insurance activities, the Company must, in addition to CRR and CRD legislation, also comply with the FICOD regulations (Financial Conglomerate Directive, Directive 2002/87/EC and Regulation 2022/2454). This imposes additional reporting requirements on the Company regarding capital adequacy with respect to the consolidated position (based on a consolidation including the insurer).

## 1.2. Scope of application

This report publishes the required disclosures on the Company's consolidated financial position.

The disclosures relate to the Company and its subsidiaries. The consolidation scope is defined according to the International Financial Reporting Standards (IFRS).

The IFRS consolidation scope and the CRR consolidation scope (scope according to the CRR guidelines) differ at the Company. The differences between the accounting and regulatory scope of consolidation can be seen from tables **LI1** and **LI2** (in the Excel appendix), and are explained by the fact that the subsidiary Aras is not included in the CRR scope of consolidation. A detailed reconciliation between the accounting equity according to the CRR scope compared to the IFRS scope is included in table 3 (see section 3.1.).

For an overview of the entities included in the consolidation, we refer to table **LI3** in the appendix.

Aspa has the status of a Belgian credit institution, with the legal form of a public limited company which has made a public call for savings. Aspa mainly focuses on attracting funds in the retail market and the institutional market in a variety of forms, offering payment transactions and reinvesting the collected funds in loans and securities. In addition, units are also offered in Argenta Fund and Portfolio funds, pension funds and mirror funds based on them, managed by AAM and Arvestar.

The Luxembourg company AAM and the Belgian company Arvestar act as fund managers and administrative agents of Argenta funds. As such they have the status of fund manager. At the start of 2026, a change was made to the structure, resulting in a Belgian fund manager (AAM) with a branch office in Luxembourg.



Although there is no capital link with the Company, the Green Apple and Golden Apple SPVs are consolidated in accordance with the IFRS consolidation principles for structured undertakings. In this way, the loans transferred return to the balance sheet of the Bank Pool.

Further information on these SPVs can be found in section 15. "Exposures to securitisation positions".

The Argenta Group has a 27.46% stake in European Investment Company (EPICo), a Benelux infrastructure fund. A significant portion of these shares are held by Aras. EPICo is valued using the equity method under the IFRS scope of consolidation and at fair value through other comprehensive income under the CRR scope of consolidation.

Aspa also has a 25% non-consolidated participation in Jofico cv, a joint venture between Aspa, Crelan, VDK Bank and Bpost that jointly manages the ATMs of these institutions. Jofico is valued according to the equity method.

There is, outside the legal restrictions, no other current or foreseen material, practical or legal impediment to the transfer of own funds or repayment of liabilities among the Company and its subsidiaries.

The Company has no subsidiaries that are not included in the CRR consolidation scope.

## 1.3. Applied approach and key metrics

Guidelines exist for calculating the Pillar 1 capital which a (credit) institution is required by the regulators to maintain for, inter alia, credit, market, settlement and operational risks. These requirements can be calculated using different approaches.

The Company applies the internal rating approach for determining exposures to credit risk on "retail secured by immovable property", and on financial institutions and corporations. For all other exposures to credit risk and other risks, it applies the standardised approach, with the exception of securitisations, which are accounted for in accordance with the SEC-ERBA (Securitisation – External Ratings Based Approach) method.

The CRR and CRD legislation has been amended in accordance with the Basel IV principles. The changes apply with effect from 1 January 2025. The changes related to how credit, market and operational risks are calculated. The use of internal

models was limited, and the impact of those models has been (and will in the coming years continue to be) reduced by the introduction of a capital floor (which increases year on year).

A number of important measures are subject to a transitional period of 5 years. It will therefore be a few years until their full impact becomes apparent. The main impact for Argenta comes from the introduction of the capital floor, as Argenta largely calculates its credit risk using internal models. As at 31 December 2025, the impact of the Basel IV changes remains very limited, primarily due to the transitional measures. Consequently, no separate capital floor has yet been included in the table below. The capital floor is expected to have an impact for Argenta from 2026.

Table **KM1**, also included in the appendix, gives an overview of the relevant figures and ratios for the Company at year-end.

Table 1: Relevant figures and ratios

	RAF standard	31/12/2024	31/12/2025	
<b>Available own funds</b>				
1	Common Equity Tier 1 (CET1) capital	3,075,033,428	3,327,038,778	
2	Tier 1 capital (T1)	3,075,033,428	3,327,038,778	
3	Total capital	3,075,033,428	3,327,038,778	
<b>Risk-weighted exposure amounts</b>				
4	Total risk exposure amount	10,700,449,394	10,367,240,474	
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>				
5	Common Equity Tier 1 ratio (%)	16%	28.74%	32.09%
6	Tier 1 ratio (%)		28.74%	32.09%
7	Total capital ratio (%)	18%	28.74%	32.09%
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>				
8	Capital conservation buffer (%)		2.50%	2.50%
EU 8a	Conservation buffer due to macroprudential or systemic risk identified at the level of a Member State (%)		0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)		1.45%	1.44%
EU 9a	Systemic risk buffer (%)		0.89%	0.78%
10	Global Systemically Important Institution buffer (%)		0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)		0.75%	0.75%
11	Combined buffer requirement (%)		5.59%	5.47%
EU 11a	Overall capital requirements (%)		15.09%	14.97%
12	CET1 available after meeting the total SREP own funds requirements (%)		19.24%	22.59%
<b>Leverage ratio</b>				
13	Total exposure measure	57,259,265,542	62,502,630,668	
14	Leverage ratio (%)	4%	5.37%	5.32%
<b>Liquidity Coverage Ratio (LCR) (based on average of last 12 months)</b>				
15	Total high-quality liquid assets (HQLA) (weighted value – average)	7,408,731,736	9,096,666,767	
EU 16a	Cash outflows – Total weighted value	3,796,923,881	3,862,437,168	
EU 16b	Cash inflows – Total weighted value	353,172,989	308,970,223	
16	Total net cash outflows (adjusted value)	3,443,750,891	3,553,466,944	
17	Liquidity coverage ratio (%)	125%	207.88%	255.59%
<b>Net Stable Funding Ratio (NSFR)</b>				
18	Total available stable funding	51,000,407,339	54,204,342,515	
19	Total required stable funding	35,035,254,036	37,931,692,414	
20	NSFR ratio (%)	120%	145.57%	142.90%

The Bank Pool's liquidity risk appetite is also monitored on the basis of the LCR and NSFR. The LCR compares the liquidity buffer against a predefined outflow of financial liabilities over a 30-day period. The NSFR compares available liquidity against the liquidity required over a period of at least one year. A detailed description of the liquidity risk can be found in section 17. "Capital and liquidity management". Tables **LIQ1** and **LIQ2** for the disclosure of the liquidity coverage ratio and net stable funding ratio are included in the appendix.

The above table includes the internally established Risk Appetite Framework (RAF) standards that Company management has set for the ratios in question. These standards for leverage and liquidity ratios are set at the level of the subsidiary Aspa.

## 1.4. Detailed index with Pillar 3 references

The Pillar 3 disclosures are described in part 8 of the CRR legislation. The table below gives an insight into the disclosure requirements and indicates where the information can be found in the integrated annual reports and/or Pillar 3 disclosures.

Table 2: CRR-related articles and references in the annual reports

CRR article	Pillar 3 disclosure requirements	Reference in the annual reports and/or the Pillar 3 report
435	Risk management objectives and policies	Section 4.1. Risk policy and section 8.9. Discussion of the consolidated financial statements – Note 4. Risk management in the integrated annual reports
	Statement on adequacy of risk management arrangements	2. Risk management
	Governance, directors' mandates, remuneration policy etc. (Art. 435.2)	18. Remuneration policy, diversity and integrity (Pillar 3) and section 5. Governance in the integrated annual reports
	Art. 435.2 (e) information flow on risks to management bodies	Reference is made to the governance memorandum on the website <a href="http://www.argenta.be">www.argenta.be</a> – about Argenta – management – governance memorandum
436	Scope of application	1.2. Scope of application
437	Own funds	3. Own funds
	Art. 437 (f) capital ratios based on the CRR guidelines	All disclosed capital ratios are based on the CRR principles
438	Own funds requirements and risk-weighted exposure amounts	4. Capital requirements and 17. Capital and liquidity management
439	Exposure to counterparty credit risk	5. Exposure to credit risk
440	Countercyclical capital buffers	4.1. Capital requirements
441	Indicators of global systemic importance	Not listed because the Argenta Group is not classified as an institution with global systemic importance (see section 4.1)
442	Credit risk and dilution risk	5. Exposure to credit risk and 8. Credit risk adjustments (Pillar 3) and section 8.9. Discussion of the consolidated financial statements – Note 4.3. Financial risks – Credit risk in the integrated annual reports
443	Encumbered and unencumbered assets	9. Encumbered and unencumbered assets
444	Use of ECAs	10. Use of ratings from external credit assessment institutions (ECAs)
445	Exposure to market risk	11. Exposure to market risk
446	Operational risk management	12. Exposure to operational risk and other non-financial risks

CRR article	Pillar 3 disclosure requirements	Reference in the annual reports and/or the Pillar 3 report
447	Key metrics	1.3. Applied approach and key metrics
448	Exposure to interest rate risk on positions not included in the trading book	14. Exposure to interest rate and spread widening risk (Pillar 3) and section 8.9. Discussion of the consolidated financial statements – Note 4.1. Financial risks – Market risk in the integrated annual reports
449	Exposures to securitisation positions	15. Exposures to securitisation positions
449a	Environmental, social and governance risks (ESG risks)	19. Sustainability (Pillar 3) and section 6. Sustainability Statement in the integrated annual reports
450	Remuneration policy	18. Remuneration policy, diversity and integrity
451	Leverage	16. Leverage
451a	Liquidity requirements	17. Capital and liquidity management (Pillar 3) and section 8.9. Discussion of the consolidated financial statements – Note 4.2. Financial risks – Liquidity risk in the integrated annual reports
451b	Crypto assets	Not applicable to the Argenta Group
452	Use of the IRB approach to credit risk	7. Use of the IRB approach
453	Application of credit risk mitigation techniques	5.3 Credit risk mitigation
454	Use of the Advanced Measurement Approaches to operational risk	12. Exposure to operational risk and other non-financial risks
455	Use of internal market risk models	11. Exposure to market risk (Pillar 3) and section 8.9. Discussion of the consolidated financial statements – Note 4.1. Financial risks – Market risk in the integrated annual reports



## 2. Risk management

Professional, comprehensive risk management is an essential prerequisite for achieving sustainable growth. The Argenta Group recognises this and considers risk management as one of its core activities.

The risk management framework is managed dynamically and adapted and updated in response to new regulations, daily experience and changes in the Argenta Group's activities. Demonstrating that adequate risk management procedures are in place is a key condition for acquiring and retaining the trust of all stakeholders: customers, branch managers, investors, supervisory authorities and rating agencies, as well as directors, management and employees.

The strategy and long-term policy of all entities within the Argenta Group are determined by the Executive Committee and the Board of Directors of the Company. The two main subsidiaries, Aspa and Aras, are responsible for operational management within their own areas of competence as established in the Memorandum of Internal Governance.

The Company's Executive Committee consists of a Chairman (CEO), a financial director (CFO), a risk director (CRO) and a Chief Delivery Officer (CDO). These four members are also part of and undertake the same functions in the Executive Committees of Aspa and Aras.

Aras and Aras each have their own, but identically composed, Executive Committees, each consisting of, in addition to the CEO, CFO, CRO and CDO, a common member responsible for technology (CTO), a common member responsible for the Retail segment (CO Retail) and a common member responsible for the Affluent segment (CO Affluent). The CEO of BVg also serves as Chief Sustainability Officer (CSO).



This unity of management highlights the importance of a commercial, risk and financial strategy, with an emphasis on the long-term relationship with both customers and the self-employed branch managers.

In order to strengthen the effectiveness of the supervision by the Board of Directors of control of the activities and the risk profile of the Argenta Group, five specialised committees have been set up within the Board of Directors, namely:

- Audit Committee (at Aspa and Aras level);
- Risk Committee (at Aspa and Aras level);
- Remuneration Committee (at BVg level);
- Appointments Committee (at BVg level);
- Group Supervisory Committee (at BVg level).

For each committee, the Board of Directors has established a charter, setting out in detail its roles and tasks, composition and operation.

These advisory committees' responsibilities are set out in section 5.2.2. "Advisory committees supporting the Board of Directors" in the integrated annual report.

The Company has formalised the risk appetite in the overarching Integrated Risk Management policy. Specific standards implement the Company's risk strategy, provide for control mechanisms and take into account the nature and scope of the business activities, as well as the associated risks.

All significant risks to which the Company is exposed are included in the risk mapping and tested against the risk appetite using risk profiles (which together form the Risk Appetite Framework (RAF)).

The RAF is an important part of management and provides a connection between business strategies (commercial, operational and financial) and risk appetite. The RAF is embedded as an active steering tool in the organisation and:

- Forms the core of Argenta's risk monitoring and escalation framework;
- Translates the risk appetite into measurable criteria and objectives;
- Provides senior management and Board members/the Risk Committee with a very practical tool for communicating, measuring and monitoring the risk targets;
- Is embedded in the multi-year business plan cycle with regard to financial and non-financial risks;
- Is further incorporated into the operational policy documents that include a wide range of operational limits and flashing lights.

The risk profile of the Bank Pool and the Insurance Pool is mapped out at the end of every period (quarter/year). A number of RAF indicators also apply at the Group level. The risk profile is determined by assigning a colour to each risk indicator and by calculating an average risk score. A limitative number of RAF limits are linked to these risk parameters.

In addition, a voluntary RAF (in preparation for the new business plan) and a budgeted RAF (for evaluating the current business plan) are being drawn up. In this way the RAF is reported from 3 perspectives and is strongly embedded in the business plan.

A direct link exists between the RAF risk indicators and the Internal Capital Adequacy Assessment Process (ICAAP), the Internal Liquidity Adequacy Assessment Process (ILAAP) and the Own Risk & Solvency Assessment (ORSA) for the Insurance Pool. There is also a direct link between these risk indicators and policy documents through further translation into operational limits, operational flashing lights and early warning indicators. This results in the daily embedding of risk awareness in first line management and in better and more efficient risk management processes.

The way in which the information on the risks is reported to the competent management bodies is described in the Governance Memorandum. The latest version of this document can be found on the Argenta website (see [www.argenta.be](http://www.argenta.be)).

## Management declarations

### Declaration on the adequacy of risk management (pursuant to Article 435 CRR)

Sections 4.1. “Risk policy” and 8.9. “Discussion of the consolidated financial statements” – Note 4. “Risk management” (which are to be found in the BVg integrated annual report on the Argenta website [www.argenta.be](http://www.argenta.be)) give a detailed description of the risks at the Argenta Group and of the risk management framework (risk management objectives and policy).

The Company’s risk management policy and attendant organisational structuring are designed to ensure that the known risks are always properly identified, analysed, measured, monitored and managed. The “Integrated Risk Management” policy applies in an overarching manner.

The Company’s risk mapping makes a distinction here between, among other things, financial risks and non-financial risks. The 8 financial risk types are subdivided into the following categories/risks: market risk, credit risk, liquidity risk (including funding risk), business risk, capital risk, underwriting risk (for insurance only), model risk and climate & sustainability risk. The non-financial risks are subdivided into 12 non-financial and 5 compliance risks, comprising the following non-financial risks: resilience risk, data risk, fraud risk, human capital risk, information security & cyber risk, IT risk, legal & regulatory risk, brand risk, sustainability risk, process risk, third-party risk and delivery risk. The compliance risks are: anti-money laundering, terrorist financing & sanctions risk, consumer protection risk, privacy risk, transparency risk and governance & conduct risk.

The risk management framework and control systems are based on a risk identification process via the risk mapping, with measurement via the aforementioned RAF, in combination with prevention and control measures. This provides a reasonable degree of certainty that the financial reporting does not contain material misstatements and that the internal risk management and control systems worked well during the 2025 financial year.

However, the internal risk management framework and control systems cannot offer absolute certainty. Inherently, cost/benefit considerations are always taken into account when accepting risks and taking management measures. The Executive Committee is continuously striving to further improve and optimise the Company’s risk management.

The risk management function has prepared an internal control annual report for 2025, an activity report for 2025 with action plan for 2026 and an RAF report for 2025 for the Board of Directors’ Risk Committee. These documents came to the conclusion that, with respect to the financial risks, the financial result was achieved within Argenta’s appetite for financial risk for 2025 and within the legal requirements imposed on the risk management function.

It also highlighted a continued focus in 2025 – from the annual hot spot risk exercise by the Risk Committee – on both financial risks and non-financial risks.



With regard to climate & sustainability risk, the climate action plan was further developed and a detailed explanation is provided in the integrated annual reports under section 6. "Sustainability Statement".

As required in Article 435 of the CRR, we declare that, in our view, the risk management measures that are necessary and appropriate for the Company's profile and strategy have been put in place.

#### Declaration on the Pillar 3 process (Article 431(3) of the CRR)

We also confirm that BVg has established and maintains a Pillar 3 procedure in accordance with Article 431(3) of the CRR. This policy sets out the governance framework, responsibilities and processes for the preparation, assessment and publication of Pillar 3 reporting, in accordance with Part Eight of the CRR and the relevant EBA guidelines and technical standards.

Based on the information available to us, we are of the opinion that the information contained in this report is complete and accurate and gives a true and fair view of the institution's capital position, risk exposures and risk management practices. We confirm that these reports reflect the institution's current risk profile and the applicable regulatory requirements.

For the Executive Committee.

Johan Vankelecom (CFO)

Gert Wauters (CRO)



## 3. Own funds

### 3.1. Accounting equity and calculation of prudential own funds

Equity as reported in the integrated annual report of the Company is determined on the basis of the IFRS standards. Table 3 below reconciles IFRS scope with CRR scope equity. Table 4 reconciles the IFRS accounting equity and the prudential Common Equity Tier 1.

Table 3: Reconciliation of IFRS scope equity versus CRR scope equity

Components	CRR scope	IFRS scope	Difference
Paid-up capital	754,268,400	754,268,400	0
Share premium	572,627,722	572,627,722	0
Fair value changes of equity instruments measured at fair value through other comprehensive income	-4,606,389	17,116,240	-21,722,629
Fair value changes of debt securities measured at fair value through other comprehensive income	695,587	-3,312,875	4,008,462
Actuarial gains or losses on defined benefit pension plans	-10,190,835	-10,842,815	651,980
Reserve for (re)insurances	0	351,243,410	-351,243,410
Reserves (including retained earnings)	1,955,631,522	2,314,147,214	-358,515,692
Profit of the current year	291,368,919	357,153,833	-65,784,914
Total equity attributable to shareholders	3,559,794,927	4,352,401,130	-792,606,203
Non-controlling interests	63,949	64,571	-622

Components	CRR scope	IFRS scope	Difference
<b>Total equity and non-controlling interest</b>	<b>3,559,858,876</b>	<b>4,352,465,701</b>	<b>-792,606,825</b>

The difference between the CRR scope and IFRS scope is explained by the elimination of the items related to the subsidiary Aras.

Table 4: Reconciliation of accounting equity versus Tier 1 equity

Components	31/12/2024	31/12/2025
Paid-up capital	742,203,200	754,268,400
Share premium	527,628,146	572,627,722
Fair value changes of debt securities measured at fair value through other comprehensive income	-9,388,258	695,587
Actuarial gains or losses on defined benefit pension plans	-8,670,353	-10,190,835
Fair value changes of equity instruments measured at fair value through other comprehensive income	-5,350,857	-4,606,389
Reserves (including retained earnings)	1,765,738,550	1,955,631,522
Profit of the current year	298,959,470	291,368,919
Total equity attributable to shareholders	3,311,119,898	3,559,794,927
Non-controlling interests	355,761	63,949
<b>Total equity and non-controlling interest – CRR scope</b>	<b>3,311,475,660</b>	<b>3,559,858,876</b>
Adjustments		
(-) Inapplicable part of interim or year-end results	-62,539,202	-41,891,855
Non-controlling interests	-355,761	-63,949
<b>Common Equity Tier 1 before the application of prudential filters</b>	<b>3,248,580,697</b>	<b>3,517,903,072</b>
Fully paid-up capital instruments	742,203,200	754,268,400
Share premium	527,628,146	572,627,722
Retained earnings	2,002,158,818	2,205,108,586
Cumulative unrealised results	-23,409,467	-14,101,636
<b>Common Equity Tier 1 before the application of prudential filters</b>	<b>3,248,580,697</b>	<b>3,517,903,072</b>
Prudential filters		
Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities	-25,527,822	-20,155,184
(-) Value adjustments due to requirements for prudential valuation	-2,575,719	-4,212,348
(-) Other intangible assets and goodwill	-107,041,731	-107,854,235
(-) For IRB, negative difference between credit risk adjustments and expected loss items	-34,937,258	-31,441,232
Transitional measures for IFRS 9 (expected credit losses)	162,936	0
Deduction relating to prudential provisions for non-performing exposures	-3,223,061	-1,972,156
Insufficient coverage for non-performing exposures	-404,614	-494,138
Deduction of CIUs		-24,735,000
<b>Common Equity Tier 1</b>	<b>3,075,033,428</b>	<b>3,327,038,778</b>

It has been opted – given their non-material nature – not to include the non-controlling interests as prudential own funds at Company level. Equity based on IFRS standards for the CRR scope is EUR 3,559,858,876, with the following items deducted for the transition to Common Equity Tier 1 of EUR 3,327,038,778:

- Inapplicable parts of profit (reduction by expected dividends) EUR -41,891,855;
- Non-controlling interests EUR -63,949;
- Prudential filters for fair value (own credit risk component in fair value and prudential fair value adjustment) EUR -24,367,533;
- Deduction of intangible assets and goodwill EUR -107,854,235;
- Deduction of IRB shortfall EUR -31,441,232;
- Deduction of non-performing exposures EUR -2,466,294;
- Deduction of CIU exposures EUR -24,735,000.

These adjustments are further explained below.

### Note on prudential filters

The CRR specifies a number of prudential filters which lead to an adjustment of Common Equity Tier 1. The following filters apply to the Company:

- Fair value gains and losses arising from the institution's own credit risk related to derivative liabilities: this concerns the deduction of the positive impact of own credit risk when calculating the market values of derivative instruments, which amounted to EUR 20,155,184 at the end of 2025;
- Value adjustments due to the requirements for prudential valuation: this is a CRR requirement in the context of a prudent valuation of financial instruments measured at fair value in the IFRS balance sheet (this valuation adjustment amounted to EUR 4,212,348 at the end of 2025). This prudent valuation adjustment is calculated based on the financial instruments which are carried on the balance sheet at market values and which can impact the result and/or equity. This adjustment (of 0.1%) is calculated and deducted from the qualifying own funds;
- Other intangible assets (including goodwill): the deduction of the other intangible assets less deferred tax liabilities. As of the end of 2025, the net impact amounted to EUR 107,854,235. The net carrying amount of software after deferred taxes is no longer fully deducted from prudential own funds but is partially deducted and partially risk-weighted at 100% (EUR 3,396,285) (pursuant to EU Regulation 2020/2176);
- In the IRB application: negative difference between credit risk adjustments and expected losses. As of 31 December 2025, impairments recorded in accordance with IFRS standards were less than the calculated expected credit losses, and the shortfall amounted to EUR 31,441,232;
- The deduction of prudential provisions for non-performing exposures arising from loans granted before 26 April 2019 (not subject to the Pillar 1 treatment). The ECB has communicated the expectation of this additional deduction through SREP letters to banks. This deduction amounts to EUR 1,972,156. The Pillar 1 deduction for prudential provisions (loans granted after 26 April 2019) is EUR 494,138;
- The deduction of the exposure amount in a CIU. These are deducted from Tier 1 core capital rather than being weighted at 1,250%.

## 3.2. Composition of prudential own funds and capital ratios

Table **CC1**, appended to this report, shows the detailed composition of own funds and the relevant capital ratios.

## 3.3. Main features of capital instruments

The main features of the capital instruments issued by the Company are described in the appendix. This description has been included in the standard format of the relevant table ("Main features of own funds instruments", see template **CCA** in the appendix).

It provides further disclosure with respect to the "Capital instruments and the related share premium accounts" mentioned in line 1 of the CC1 table appended to this report.

The Company pursues a policy of self-financing. To retain a level of capital that provides sufficient scope for growth and to be able to carry the financial and operational risks, the Company aims to meet the potential capital requirements by (a) retained earnings, (b) capital increases and (c) subordinated loans.

Under the EMTN programme, Aspa issued 3 senior non-preferred bonds to a total amount of EUR 1,600 million in 2020 and 2022. The prospectuses and investor presentations of these issues can be found on the [www.argenta.eu](http://www.argenta.eu) website (under the heading “debt issuance”).

These transactions from the EMTN programme contribute to meeting the regulatory bail-in requirements (MREL – Minimum Requirement on own funds and Eligible Liabilities) and strengthen Aspa’s A rating from Standard & Poor’s. In the context of the resolution, Aspa is considered the single point of entry and, based on an SRB decision, an MREL requirement of 6.64% applies to the total risk exposure for calculating the leverage ratio exposure (LRE) and 18.94% of the Total Risk Exposure Amount (TREA, risk-weighted), to be fully met with subordinated instruments.

The MREL ratio as of the end of 2025 comes to 7.63% of the total risk exposure for the calculation of the leverage ratio exposure (LRE), and 48.24% of TREA.

## 4. Capital requirements

### 4.1. Capital requirements



A minimum solvency ratio is required of a Common Equity Tier 1 (CET1) capital ratio of 4.5%, total Tier 1 capital ratio of 6% and total capital (TC) ratio of 8% (these are the Pillar 1 requirements). Furthermore, a number of additional buffers were introduced.

The CRD provides for four additional capital buffers including a capital conservation buffer (CCB). This buffer is 2.50%.

The Company may also be required to set up a countercyclical capital buffer (CCyB), effectively an additional CET1 capital requirement. This buffer is designed to protect the Company against risks arising from the financial cycle and can rise to 2.5%. The Belgian regulator set the rate at 1% from 1 October 2024 and will increase this to 1.25% from 1 July 2026 onwards. The Dutch regulator has set the rate at 2%. Tables **CCyB1** and **CCyB2** appended to this report provide further details on the institution-specific countercyclical capital buffer. The institution-specific countercyclical capital buffer was 1.44% on 31 December 2025.

The Belgian regulator has imposed a sectoral systemic risk buffer of 6% on all Belgian financial institutions for those Belgian mortgages under the IRB approach. This buffer is calculated by multiplying the risk-weighted exposure amounts of these exposures by 6% and came to 0.78% on 31 December 2025. The Belgian regulator has announced that this buffer will be abolished from 1 July 2026.

The Belgian regulator has designated the Argenta Group as O-SII or “Other Systemically Important Institution”. As a result, the Company is subject to an additional Common Equity Tier 1 requirement (O-SII buffer) of 0.75%.

The 4 buffers must be met with CET1 capital (the strongest form of capital).

The Argenta Group institutions are not designated as global systemically important institutions (G-SIIs). Consequently, no disclosures need to be made of indicators of global systemic relevance (Article 441 CRR).

In the SREP (Supervisory Review & Evaluation Process) framework, the competent supervisory authority can require higher minimum ratios (Pillar 2 requirements) because, for example, not all risks are fully reflected in the Pillar 1 calculations. The P2R (Pillar 2 requirement) came to 1.50% (to be fulfilled with a minimum of 56.25% in CET1 and 75% in T1 with the remaining requirement in T2). Based on the SREP process, a total capital requirement of 10.81% was obtained (to be fulfilled with CET1 capital). This consisted of a basic requirement of 4.5%, the CCB of 2.50%, an O-SII buffer of 0.75% and 56.25% of the P2R of 1.50%, a countercyclical capital buffer of 1.44% and a systemic risk buffer of 0.78%. Since

the Company has no additional Tier 1 (AT1) and no Tier 2 (T2) outstanding, the CET1 requirement is de facto 14.97%, being the Total Capital Ratio (TCR) (10.81% + 1.5% AT1 + 2.0% T2 + the remaining P2R). From 1 January 2026, the Pillar 2 requirement is changing to 1.75%.

The Company amply met all requirements in 2025 with a CET1 and TCR of 32.09%.

## 4.2. Minimum capital requirements per risk-weighted category

This chapter sets out the Company's risk-weighted exposure amounts and capital requirements, based on the risks specified in Pillar 1 which are currently applicable (i.e. the credit risk, CVA (counterparty) risk, market risk and operational risk).

Table **OV1**, included in the appendix, contains an overview of the risk-weighted exposure amounts and minimum own funds requirements at the end of the year.

The totals in line 29 of table OV1 therefore form the basis for the more detailed disclosures.

The EUR 333 million decrease in risk-weighted exposure amounts compared to 31 December 2024 mainly results from:

1. For the retail portfolios:
  - a. The main change in 2025 is the introduction of CRR3, which reduces the RWEA for retail loan portfolios (impact of EUR -100 million);
  - b. A recalibration of the PD model was also carried out for the Dutch mortgage portfolio to comply with a requirement imposed by the ECB (impact of EUR -100 million);
  - c. In addition, adjustments have been made to the IRB models for the Belgian mortgage portfolio to address the ECB's findings and requirements. Following approval by the JST, as the regulatory requirements were met, the previous factor applied to internal LGD values for performing loans will cease to apply on 31 December 2025 (impact of EUR -130 million);
2. For the investment portfolio (institutions and corporations):
  - a. The implementation of the CRR3 regulations, resulting in an overall reduction in RWEA of EUR -325 million;
  - b. Increase in the size of the investment portfolio (impact of EUR +18 million);
  - c. Decrease in the risk weightings of non-retail counterparties (impact of EUR -58 million);
3. Other fluctuations:
  - a. Recalculation of the capital requirement for operational risk as at the end of 2025 (impact of EUR +279 million);
  - b. Increase in CVA risk (credit value adjustment) due to a change in methodology (reduced basic approach under CRR3 compared to the standardised approach under CRR2) and the new Golden Apple 2025 (front) cap (impact of EUR +288 million);
  - c. Change in the risk weighting of the participation in Argenta Assuranties (changed from 370% to 250% as a result of the implementation of CRR3 legislation) (impact of EUR -212 million).



### 4.3. Capital ratios

The table below shows the Company's various capital ratios.

Table 5: Capital requirements and capital ratios at year-end

	31/12/2024	31/12/2025
Total qualifying capital	3,075,033,428	3,327,038,778
Total CET1 capital	3,075,033,428	3,327,038,778
Risk-weighted exposure amounts	10,700,449,394	10,367,240,474
CET1 capital ratio	28.74%	32.09%
Tier 1 ratio	28.74%	32.09%
Total capital ratio (TCR)	28.74%	32.09%

The Common Equity Tier 1 (CET1) ratio is an important ratio. This calculation uses the Common Equity Tier 1 capital instead of total capital. The RAF limit (green zone) for the CET1 ratio is 16% and for the TCR 18%; the voluntary target is 2% higher.

With total regulated qualifying own funds at 31 December 2025 (and throughout 2025) always exceeding the applicable prudential and internal requirements, the Company fully complied with all capital requirements.



### 4.4. Risk-weighted exposure amounts

The capital requirements for credit risk are calculated as follows:

Risk-weighted exposure amounts \* 8%

where risk-weighted exposure amounts = (Exposure At Default – EAD) \* weighting percentages

The total RWEA have fallen from EUR 10,700,449,394 at the end of 2024 to EUR 10,367,240,474 at the end of 2025. As a result, the total capital requirement has fallen from EUR 856,035,951 to EUR 829,379,238 at the end of 2025.

Table 6: Total risk-weighted exposure amounts and capital requirement by category

	31/12/2024		31/12/2025	
	RWEA	Capital requirement	RWEA	Capital requirement
<b>Credit risk – STA</b>				
Central governments or central banks	52,160,155	4,172,812	25,654,031	2,052,322
Regional governments and local authorities	57,533,568	4,602,685	47,404,531	3,792,363
Public sector entities	16,513,995	1,321,120	17,959,335	1,436,747
Corporates	110,454,360	8,836,349	187,247,756	14,979,821
Retail	362,687,047	29,014,964	449,742,848	35,979,428
Secured by immovable property	89,422,122	7,153,770	14,071,584	1,125,727
Exposures in default	3,639,277	291,142	3,016,450	241,316
Subordinated debt instruments			13,130,750	1,050,460
Equity	19,360,731	1,548,858	451,445,404	36,115,632
Other items	310,921,446	24,873,716	330,699,712	26,455,977
<b>Total credit risk – STA</b>	<b>1,022,692,700</b>	<b>81,815,416</b>	<b>1,540,372,401</b>	<b>123,229,792</b>
<b>Credit risk – IRB</b>				
Institutions	527,668,672	42,213,494	493,911,460	39,512,917
Corporates	2,224,105,812	177,928,465	1,801,045,211	144,083,617
Secured by immovable property	4,712,640,768	377,011,261	4,137,462,348	330,996,988
Equity	652,848,373	52,227,870		
<b>Total credit risk – IRB</b>	<b>8,117,263,626</b>	<b>649,381,090</b>	<b>6,432,419,020</b>	<b>514,593,522</b>
Securitisation positions SEC-ERBA	81,956,885	6,556,551	53,794,399	4,303,552
DNB floor for non-NHG mortgages			295,368,584	23,629,487
<b>Total credit risk</b>	<b>9,221,913,211</b>	<b>737,753,057</b>	<b>8,321,954,404</b>	<b>665,756,352</b>
Market risk	0	0	0	0
CVA risk	32,480,445	2,598,436	320,249,258	25,619,941
Operational risk	1,446,055,738	115,684,459	1,725,036,812	138,002,945
<b>Total capital requirement</b>	<b>10,700,449,394</b>	<b>856,035,951</b>	<b>10,367,240,474</b>	<b>829,379,238</b>

The risk-weighted exposure amounts for credit risk amounted to EUR 9,221,913,211 as of 31 December 2024 and EUR 8,321,954,404 as of 31 December 2025. This resulted in a capital requirement of EUR 665,756,352 compared to EUR 737,753,057 as of 31 December 2024.

## 5. Exposure to credit risk

### 5.1. Composition of credit risk

Tables LI1 and LI2, included in the appendix, provide an overview of the differences in consolidation scope, as well as the definition and classification of the exposures. Additional information is included on items to be deducted from own funds and factors that cause a difference in exposure value between the accounting and regulatory frameworks.

The off-balance-sheet items include guarantees given – sureties, credit commitments and unused portions of credit lines. The CRR uses Credit Conversion Factors (CCF) to capture the capital requirement for credit risk.

This has the effect of reducing the exposure from that shown on the balance sheet. Credit commitments and unused portions of credit lines are the parts of loans not yet used. Since the implementation of CRR3, the conversion factor can be 10% (currently weighted at 0% due to a temporary CRR3 transitional measure until 2029), 20%, 40%, 50% or 100% (depending, among other things, on the approach and the product type).

Table 7: Overview of off-balance-sheet items as of year-end

Related COREP tables	CCF percentages	Exposure 31/12/2024	Exposure 31/12/2025
Table C07 (STD)	0%	898,187,700	741,942,750
	20%	8,853,203	
	40%		29,403,244
	50%	48,467,872	
	100%	0	13,042,527
<i>STD approach subtotal</i>		<i>955,508,776</i>	<i>784,388,521</i>
Table C08 (IRB)	40%		125,000,000
	75%	125,000,000	
	100%	2,175,756,156	2,426,335,539
<i>IRB approach subtotal</i>		<i>2,300,756,156</i>	<i>2,551,335,539</i>
<b>Total</b>		<b>3,256,264,931</b>	<b>3,335,724,060</b>
<b>Total risk-weighted exposure amounts</b>		<b>434,383,914</b>	<b>372,896,960</b>

The unconditionally cancellable credit card commitments (EUR 898,187,700 as of the end of 2024 and EUR 741,942,750 as of the end of 2025) are included in the total exposure but (temporarily) carry a 0% conversion factor.

### 5.2. Additional information on the Basel exposure categories

In some standard templates the securitisation positions are recognised separately. However, in the chapter on credit risk, the securitisation positions are included, as they are also processed in this way in the prudential reporting.

The exposures secured by immovable property are mainly processed by the IRB approach, with a limited position processed by the STA approach.

The following table gives a separate global geographic overview for the category “exposures secured by immovable property” (STA and IRB approaches summed together). The most important geographical markets in which the Company operates here are Belgium and the Netherlands.

Table 8: Geographical distribution of the exposures secured by immovable property

Country	31/12/2024	31/12/2025
BE	19,520,475,799	19,622,064,029
NL	22,987,475,362	24,762,931,653
Other	77,725,417	88,719,257
<b>Total</b>	<b>42,585,676,578</b>	<b>44,473,714,939</b>

The table above is based on the borrower's geographic location, with an "other" category for borrowers having (or having transferred) their legal residence "outside Belgium or the Netherlands".

### 5.3. Credit risk mitigation

Credit risk mitigation (CRM) is a technique used for limiting the credit risk linked to one or more of the institution's exposures.

In the case of mortgages granted by the Company, the loan is secured against a property. In Belgium, this is done via a mortgage registration or via a combination of a mortgage registration and a mortgage mandate. In the Netherlands, only a mortgage registration is possible. In the assessment of a loan, in addition to the borrower's repayment capacity, the value of the property is always taken into account. This requires a valuation to be performed.

The value of the property at the origination of the loans is in principle equal to the lower of the transaction value and the estimated market value.

The transaction value is the agreed purchase price of a property excluding taxes, registration fees and notary fees, possibly plus renovation costs including VAT. For a new residential build it is the price of construction including VAT or the land price excluding taxes, registration fees, notary fees plus the construction cost including VAT.

The estimated market value is the value determined by a qualified independent appraiser/valuer (cf. infra), as described in the EBA/GL/2020/06.

When a property is to be used to secure a loan for the first time, the market value is estimated by a qualified independent valuer by means of a remote valuation supported by an advanced statistical model or an estimate based on an on-site survey.

Additional details on the valuation of real estate are included in the IFRS valuation rules and in section 8.9. "Discussion of the consolidated financial statements" – Note 4.3. "Financial risks – Credit risk" of the Company's integrated annual report.

Periodic revaluations are carried out on the basis of indexation, statistical models or revaluations during the period of the loans.

The loan to value (LTV) parameter is, alongside repayment capacity, an important indicator for assessing the initial risk of new loans and later for estimating the remaining risk.

Up to 2014, 100% interest-only loans were granted in the Netherlands, with the total capital having to be repaid in full only on the final maturity date. This capital can of course be built up during the period of the loan by means of savings accounts, life insurance policies or investment accounts.

Due to legislative changes in 2013, the focus (due to fiscal incentives) shifted from 100% interest-only loans to loans with monthly capital repayments, with a maximum of 50% of the value of the property mortgaged through an interest-only loan. As a result, even if the property value remains unchanged, the LTV will decrease over the term of the loan in the Netherlands.

Interest-only loans remain an important topic. Argenta is continuing its efforts to provide a clear picture of the actual risks and the customer's financial situation, and to bring about a gradual reduction in the interest-only loan portfolio.

In addition, over 40% of Argenta's Dutch mortgage portfolio is covered by the National Mortgage Guarantee (NHG). The NHG is provided by the "Waarborgfonds Eigen Woningen" (Home Ownership Guarantee Fund – WEW) foundation. This is the guarantee that a borrower can obtain when taking out a loan to purchase or renovate a home, provided that a premium is paid to the WEW. In this case, the WEW guarantees the repayment of the majority of the outstanding mortgage amount to the lender.

The goal of the WEW is to promote home ownership. It is responsible for the policy and the implementation of the NHG. Every year it sets rules for granting NHG guarantees. These "conditions and standards" must be approved by the Minister of The Interior and Kingdom Relations. Administration of the NHG guarantees is undertaken by the credit institutions. Credit files are analysed and reviewed whenever a loss claim is submitted. The WEW supports the lenders in implementing the NHG guarantees and manages the fund assets related to the risk of the NHG.

The WEW is a private institution which has agreements with the government and the municipalities. This means that the WEW is able to meet its payment obligations at all times. As a result, the Dutch central Bank (DNB) considers the NHG as a government guarantee. Consequently, NHG-covered loans generally require less own funds for the lender. This advantage for lenders is "returned" to consumers in the form of lower mortgage interest on NHG-backed loans.

When determining the unfunded (NHG) guarantee, account is taken in all calculations of the decrease over a maximum of 30 years of this NHG guarantee in line with the annuities, as well as the 10% deductible applicable to any loss on NHG loans from 2014 onwards (this decrease is included in the LGD parameter).



The table below shows the exposures before and after the movements resulting from unfunded and funded credit protections (processed by the substitution approach). Credit protections considered eligible for the determination of the LGD parameter, such as the NHG guarantee and funded credit protections via mortgage registration or savings amounts, are therefore not included in this table.

"Unfunded credit protection" is a technique of credit risk mitigation where the credit risk on the exposure of an institution is limited by means of a third-party guarantee to pay a certain amount in the event of the default of the borrower or other specified events.

"Funded credit protection" is a technique of credit risk mitigation where the credit risk associated with an institution's exposure is limited by means of a right that the institution has acquired. In the event of the default of the counterparty or other specified credit events relating to the counterparty, certain assets or amounts can be liquidated or taken over, or ownership of assets or amounts can be acquired or retained, or else the exposure can be reduced or replaced by the difference between the exposure itself and a claim on the institution.

Table 9: Overview of exposures by category

	Risk exposure	Unfunded credit protection – guarantees	Funded credit protection – collateral	Total inflow	Adjusted exposure
Central governments or central banks	6,168,819,378	0	0	109,683,475	6,278,502,853
Regional governments and local authorities	905,826,544	0	0	60,166,537	965,993,081
Public sector entities	125,936,650	-35,659,977	0	0	90,276,673
International organisations	551,484,998	0	0	0	551,484,998
Institutions	35,036,801	-35,036,801	0	0	0
Corporates	251,841,124	-49,089,353	0	0	202,751,770
Retail	1,342,200,402	0	0	0	1,342,200,402
Secured by immovable property	64,153,870	0	0	0	64,153,870
Exposures in default	3,016,426	0	0	0	3,016,426
Subordinated debt instruments	8,753,833	0	0	0	8,753,833
Equity	186,777,145	0	0	0	186,777,145
Other items	456,662,413	0	0	0	456,662,413
<b>Total exposures (STA)</b>	<b>10,100,509,583</b>	<b>-119,786,131</b>	<b>0</b>	<b>169,850,012</b>	<b>10,150,573,464</b>
Institutions	2,754,988,070	0	0	0	2,754,988,070
Corporates	5,454,874,628	-50,063,882	0	0	5,404,810,746
Secured by immovable property	44,409,561,068	0	0	0	44,409,561,068
<b>Total exposures (IRB)</b>	<b>52,619,423,765</b>	<b>-50,063,882</b>	<b>0</b>	<b>0</b>	<b>52,569,359,884</b>
Securitisation positions (SEC-ERBA)	415,219,601	0	0	0	415,219,601
<b>Total exposures</b>	<b>63,135,152,949</b>	<b>-169,850,012</b>	<b>0</b>	<b>169,850,012</b>	<b>63,135,152,949</b>

The total of the amounts under “unfunded credit protection – guarantees ” and “funded credit protection – collateral” (i.e. the outflow) match the total of the “total inflow” column.

One form of funded credit protection is also the accumulated savings amounts for some mortgage types in the Netherlands.

The unfunded credit protection at the Company can be divided into two groups. This reflects a shift in exposure resulting from government guarantees and guarantees by financial institutions or other companies.

The following tables break down the EUR 35,036,801 of credit protection in the “institutions” category, the EUR 35,659,977 of credit protection in the “public sector entities” category, and the EUR 99,153,235 of credit protection in the “corporates” category.

Table 10: Government guarantees in the “institutions” category

Guarantee counterparty	Number of securities	Exposure	Guarantee amount
Belgian government	1	35,041,529	35,036,801
<b>Total unfunded credit protection – guarantees in the “institutions” category</b>			<b>35,036,801</b>

Table 11: Government guarantees in the “public sector entities” category

Guarantee counterparty	Number of securities	Exposure	Guarantee amount
Belgian government	2	35,665,163	35,659,977
<b>Total unfunded credit protection – guarantees in the “public sector entities” category</b>			<b>35,659,977</b>

Table 12: Government guarantees in the “corporates” category

Guarantee counterparty	Number of securities	Exposure	Guarantee amount
Belgian government	8	24,513,782	24,506,561
Dutch government	5	50,077,391	50,063,882
Austrian government	4	24,584,414	24,582,793
<b>Total unfunded credit protection – guarantees in the “corporates” category</b>			<b>99,153,235</b>

## 5.4. Counterparty risk

The RAF, approved by the Board of Directors, establishes the desired credit risk profile in the form of measurable indicators. Credit limits are part of this and define the maximum credit risk position by type of investment and counterparty level (these are defined in detail on the basis of the Integrated Risk Management policy and the associated internal standards for “Retail credit management Belgium and the Netherlands” and “Non-retail credit management”). This position depends on the creditworthiness of the counterparty and is expressed as a percentage of the Common Equity Tier 1 capital. As a general rule, deviations from this framework for individual transactions are possible only with an approval of the Board of Directors.

This sets limits (for investments) per asset category, but also with respect to concentration risk by counterparty. These limits are monitored systematically and reported internally. In addition, the average portfolio rating serves as the RAF limit.

The basic assumptions and limits with regard to retail counterparties are listed in the internal acceptance and authorisation frameworks for credit risk for Belgium and the Netherlands respectively. Just like the National Bank through its prudential expectations with regard to new mortgages in Belgium, the internal standards “credit risk – professional and retail (Belgium and the Netherlands)” impose, in addition to limits on regulatory PD and LGD, limits on the composition of existing and new mortgages based on repayment capacity and lending collateral for Belgium and the Netherlands.

The financial RAF limits framework includes metrics on climate & sustainability risk. For example, the average EPCs (energy performance certificates) of the mortgage portfolios (transition risk) are monitored as RAF limits for the retail sector, and the Low Carbon Transition score is monitored for the non-retail sector.

### Counterparty credit risk derivatives

Argenta Group’s derivatives portfolio is limited and serves exclusively for ALM management (hedging against interest rate risk). This portfolio consists primarily of standard contracts: plain vanilla interest rate swaps, swaptions and caps. All derivative counterparties are covered by an ISDA with Credit Support Annex (CSA). Claims on counterparties may arise as a result of fluctuations in the derivatives’ market values. However, these are taken care of by the daily collateral management (“margin calls”).

The Argenta Group capitalises this residual risk in Pillar 2 ICAAP on the basis of a stress scenario. This scenario is based on the method used by the Argenta Group to calculate the CVA and DVA for the fair value measurement of the derivative portfolio under IFRS. The scenario also takes into account the possible concentration in counterparties.

First, the possible exposure (“Expected Exposure”) is calculated per individual transaction, based on fluctuations in market value resulting from a 1 basis point change in the interest rate (“basis point value” – “BPV”), and market volatility. The exposures are then totalled for each bilateral counterparty, and aggregate credit losses are simulated using a Monte Carlo simulation based on their rating, PD and LGD, with the 99.9% loss being retained.

## 5.5. Collateral

### Collateral received

Personal guarantees or collateral are always required when granting mortgages. Please refer to section 5.3. “Credit risk mitigation” for more information regarding this collateral.

### Collateral given

Collateral management is applied to the derivative products entered into by the Company. A CSA (Credit Support Annex) of the International Swaps and Derivatives Association (ISDA) is concluded with each counterparty. These CSAs have been entered into to minimise counterparty risk and to set out practical arrangements regarding collateral management. Changes in the market value of the derivatives lead to the exchange of collateral (in the form of cash or securities). Section 9. “Encumbered and unencumbered assets” provides more information on the effectively granted collateral.



There are no explicit rating triggers (except the standard ones included in the basic contracts) provided for in the current contracts concluded with derivatives counterparties with the exception of the agreements with the clearing brokers. The following rules apply there:

- In the event of a downgrade of the Argenta Spaarbank S&P rating by 1 notch, no additional collateral is required;
- The impact on collateral of a downgrade of the rating by 2 or 3 notches is an increase of 10%;
- For a downgrade of 4 or 5 notches, a mandatory increase of 20% applies to the buffer on the initial margin.

## 5.6. Wrong-way risk

General wrong-way risk is risk that arises when the likelihood of default by counterparties is positively correlated with general market risk factors. The general policy for credit risk and concentration risk is set out in the Integrated Risk Management policy and the associated internal standard.

By means of this policy, the Company seeks to limit these risks, with the impact of possible positive correlation with general market risk factors being limited by a general spread of risk over, for example, several asset classes and several counterparties.

## 5.7. Capital requirement for CVA risk

Since the introduction of the CRR legislation, a capital requirement is also applicable for the CVA (Credit Valuation Adjustment) risk. Compared with, for example, the credit risk of an ordinary bond loan, derivatives have two specific characteristics in terms of counterparty risk:

- The expected risk is uncertain in terms of size; future cash flows are dependent on future market movements of underlying securities (e.g. interest);
- A derivative may have a positive value at one point in time and a negative value at a later point in time. As a result, the derivative changes from an asset to a liability.

These characteristics make it difficult to determine the potential risk. The adjustment to the fair value resulting from the application of credit risk to the counterparty is called Credit Valuation Adjustment (CVA). The CVA has the effect of calculating a price on the counterparty risk in a transaction.

For prudential reasons, a separate calculation is made to calculate the exposure for CVA risk to which a capital requirement is applied.

As of 31 December 2025, a risk-weighted exposure of EUR 320,249,258 was obtained, on which a capital requirement of EUR 25,619,941 was calculated. This amount can be found in table OV1 appended to this report, which lists the risk-weighted exposure amounts by risk type.

The opposite of the CVA measures the Company's own credit risk. This is called the Debit Valuation Adjustment (DVA). The DVA calculated according to the IFRS standards amounted to EUR 20,155,184, and was deducted from the qualifying own funds.

## 5.8. Derivatives

At the end of 2025, the Company had on its balance sheet only derivative instruments (in the form of caps, swaptions and swaps) concluded in the context of interest rate risk management (hedge accounting) or of securitisation transactions. It has no credit derivatives. The Company uses the standardised approach to counterparty credit risk ("SA-CCR") to calculate the risk exposures of its derivatives. The exposure here is equal to the sum of the following elements:

- a) The replacement value based on the market value, the net variation margin, the margin threshold and the minimum margin exchange amount of the transactions; and
- b) The potential future exposure, based on the (adjusted) notional principal (or underlying value), the term of the transaction and the applicable legal factors.

No netting will be applied in calculating the capital requirements for derivative instruments, as the Argenta Group does not have any officially recognised netting agreements. Each transaction is recorded as an individual netting set.

At the end of 2025, the Company's SA-CCR EAD was EUR 463,754,415. Please refer to table **CCR1** for an overview of exposures to counterparty risk.

The Company uses a central clearing institution (CCP) for the vast majority of its derivative instruments. Table **CCR8**, appended to the report, shows the exposures to ABN AMRO Clearing Bank and JP Morgan (which act as clearing members vis-a-vis LCH Ltd and Eurex, with which the Company has concluded indirect clearing arrangements).

# 6. Use of the standardised approach

The Company uses the standardised approach for determining the credit risk for several categories. These categories are explained in table 6 "Total risk-weighted exposure amounts and capital requirements by category".

## 7. Use of the IRB approach

The Company applies the IRB approach for exposures to retail (mortgages) and to non-retail, that is to corporates (including real estate counterparties), institutions and covered bonds. Since the implementation of Basel IV, the participation value of the insurer (amounting to EUR 176 million) has been weighted at 250% as exposure under the STD method.

Table 13: Exposures applying IRB approach at year-end

	RWEA 31/12/2024	RWEA 31/12/2025
<b>Internal ratings-based approach (IRB)</b>	<b>8,117,263,626</b>	<b>6,432,419,020</b>
IRB approach where neither self-estimated LGD parameters nor conversion factors are used	2,751,774,485	2,294,956,671
Institutions	527,668,672	493,911,460
Corporates	2,224,105,812	1,801,045,211
IRB approach using own LGD calculations and/or own conversion factors	4,712,640,768	4,137,462,348
Retail – secured by immovable property (excl. DNB floor)	4,712,640,768	4,137,462,348
Participation value insurer (equity)	652,848,373	



### 7.1. Credit risk – IRB approval

The (A)IRB method is used for the mortgage portfolios, with some non-material exceptions. Argenta has established an internal framework for Permanent Partial Use (PPU) to define compliance with the CRR regarding the application of the IRB approach or a less advanced approach.

The (F)IRB approach is used for the corporates (including real estate counterparties), (financial) institutions and covered bonds portfolios.

The internal rating models for non-retail and retail (mortgages) comply with the EBA guidelines on PD estimation, LGD estimation and the treatment of defaulted exposures.

The non-retail models were approved by the ECB and implemented in November 2022.

The IRB models for the mortgage portfolio in Belgium were approved in August 2023. Following the JST's approval that regulatory requirements have been met, the factor applied to internal LGD values for performing loans ceased to apply on 31 December 2025.

The IRB models for the mortgage portfolio in the Netherlands were approved in January 2024, subject to the application of a floor on the LGD for performing mortgages and a factor for certain loans in default. These models have been refined and were submitted to the ECB for approval in January 2026.

Since 2022, an additional lower limit applies to loans which are not covered by an NHG guarantee (because of the reciprocation of a DNB measure by the NBB).

## 7.2. Internal rating systems

### 7.2.1. Structure of the internal rating systems

The Company calculates its exposures to retail customers (mortgages), to corporates, institutions (with the exception of exposures to insurance companies and investment companies) and covered bonds by the IRB method.

Internal rating systems have been developed to estimate the credit risk of the mortgage portfolios. In these systems, Exposure at Default (EAD), Probability of Default (PD), Loss Given Default (LGD) and Expected Loss Best Estimate (ELBE) are assessed and evaluated using models.

The PD model assigns a score to each loan file. This scoring is based on variables with associated modalities relating to both product and borrower features. Based on these scores, risk categories are created. A long-term PD is allocated to each risk category. This is the historic average default percentage, corrected for model uncertainty and data and model deficiencies.

The link between the rating and the PD is determined during the calibration process (as part of the model development) and is revised annually and adjusted if necessary.

LGD models have been developed for estimating the size of the loss. Every residential loan is assigned a specific percentage as an LGD. This is received after an evaluation and a calibration step.

For the Dutch portfolio, loans covered by the NHG guarantee are calibrated separately from loans not covered by the NHG guarantee.



This estimate takes into account aspects such as property values and the NHG guarantee (as credit risk mitigation elements). The historical averages are corrected to reflect any economic downturn.

The EAD is the amount owed to the Company by the customer at the time of default. This includes the outstanding capital at the time of default, the past due capital repayments and interest (from the past due date to the date of default), late payment interest and the reinvestment fee.

No models have been developed for calculating a CCF (Credit Conversion Factor) for unused credit lines and offers in the pipeline and a CCF of 100% is being applied until further notice. CCF models estimate the proportion of off-balance-sheet liabilities to be recognised as soon as a customer defaults.

For exposures to corporates, institutions, covered bonds and real estate counterparties, an internal rating system has been implemented to assess and evaluate the PD parameter. The rating model assigns a score or rating to each counterparty based on qualitative and quantitative variables. The link between the rating and the PD is redetermined during a calibration process, and reviewed annually based on historical figures. For LGD, the regulatory loss percentages are used as IRB input.

### 7.2.2. Embedding and implementation of the IRB approach in the organisation

The embedding of the IRB approach in the context of the Basel credit risk has been implemented by integrating it into the internal standards, the credit acceptance process, decision-making, risk management, investment policy and internal capital allocation. The credit risk models used by the Company play an essential role in this process. In addition, the output of the IRB models serves as a basis for the IFRS 9 models and thus for calculating individual impairments.

The implementation and embedding in the operational credit sub-departments of the Housing departments (BE and NL) is followed up on the basis of the use test. This aspect involves, among other things, the implementation of the models in the operational business and risk management environment (credit application and the Basel scoring, measurement and calculation software).

The Credit Risk Modelling (CRM) sub-department of the Credit & Insurance Risk Modelling (CIRM) department monitors the performance of the models for the mortgage portfolios, gathering the necessary monitoring information and reporting on it internally.

The operational credit sub-departments are responsible for granting and managing loans in accordance with the prevailing internal authorisation and acceptance frameworks and the approval and management procedures applicable to each product and/or jurisdiction. They have to make active use of the IRB models in their processes and procedures.

The Credit Risk Analysis (CRA) sub-department of the Financial Management department provides an analogous monitoring process for the performance of the models for exposures to corporates, real estate counterparties, institutions and covered bonds.

The ALM & Treasury department takes this into account in its investment decisions, since the outcomes of the internal models also play their role in the Investment Consultation and Rating Consultation. Indeed, the investment framework was built around this.

This process, including the associated tasks and responsibilities, is included in the “management model” procedure on the basis of the model risk management principles as set out in the “Model Risk Management” standard. Its purpose is to assess whether internal credit risk models are adequate in accurately reflecting the credit risk to which they relate, through:

- Analysis of the model and of the environment in which it operates;
- The level of coverage;
- The performance of the model by testing the model outcomes against limits and flashing lights; and
- Analysis of the effective implementation and application of the model (usage) and the role it plays in the decision-making process and in risk management (use test).



### 7.2.3. Organisation of the IRB process

The Housing departments (BE and NL) are responsible for first line control as well as for the operational aspects of managing defaulted loans.

The CRM sub-department within the Credit & Insurance Risk Modelling department is responsible for developing and managing models for retail lending. For the models of exposures to corporates, institutions and covered bonds, this model-developing function is performed by the CRA sub-department of the Financial Management department.

Within the governance framework for managing credit risk models and the project systems designed for this purpose, the Risk & Validation department has a specific second line role in the development and management of the internal models. This consists, for the Risk sub-department, of critical evaluation of and independent risk checks on the prepared reports and, for the Validation sub-department, of running through the validation cycle.

### 7.2.4. Control mechanisms for the IRB model process

The validation process of the models is undertaken by the internal validator (validation cell) within the Risk & Validation department who reports hierarchically to the CRO. The validator is independent here of both the business and the developers/modellers. The Risk & Validation department runs the GRC Moco (model overview committee).

The validator’s task is clearly delineated in the “model risk management” standard. The way in which Argenta deals with the risk inherent in models and the operational use of these models in decision-making is anchored in this standard and the underlying “model management” procedure, which controls the governance of models as well as the concrete measures for the management of models.

Conceptual validation is intended to determine whether the proposed model fits with the Argenta Group’s vision of risk policy (risk assessment, risk mitigations, controls), whether the model is methodologically correct and consistent with the policy, and finally, whether the design is compliant with the regulations.

After approval, the models are implemented in the operational systems. Implementation validation is intended to investigate whether the model as implemented is the same as the one initially developed and approved. Implementation validation relates both to the organisational and to the technical implementation in the Company's own IT environment, with particular attention to the "use test" aspects.

Once the model is in use, it is important to know whether it is still working satisfactorily. The monitoring of the performance of the risk model includes comparing the model predictions with the actual outcomes, as well as tracking the distribution of the underlying risk drivers. The Company determines, by means of internal standards, whether the differences between model predictions and actual performance are acceptable.

The CRM and CRA sub-departments report on the performance of the models to the GRC Moco and carry out an extensive review on an annual basis. The conclusions from this can lead to a recalibration or an adjustment of the model.

In addition, the Risk & Validation department conducts an independent review of the models. The risk profile model risk is an integral part of the RAF.

### Internal audit

Over the past years, Internal Audit has conducted audits on a continuous basis in respect of Basel Pillar 1 credit risk. The Internal Audit department is responsible for determining whether a bank wishing to qualify for the advanced approach to credit risk under Basel meets all the minimum requirements. For this, the Internal Audit department draws on the services of independent in-house and external experts as well as on the results of the Validation sub-department, once the validation activities have been audited.

### Stress tests

Besides implementing and reporting on the back testing of the internal measurement systems used to determine PD, LGD and EAD, the Risk & Validation department coordinates stress tests. Stress testing consists of measuring the effects of serious but still plausible economic conditions on the institution's own portfolio. The results of the stress tests provide insight into the effect of possible unfavourable economic developments on the Company's risk profile.

These stress tests are part of a company-wide stress testing programme, which is submitted annually to the Risk Committee of the Board of Directors.

## 7.3. Developed models

### 7.3.1. Internal credit risk models for exposures to retail customers

The Company has developed two general models for mortgages (residential mortgages). A first PD and LGD model was designed for the portfolio of mortgages initiated by the Company's own branch network in Belgium.

A second PD and LGD model was developed for the mortgages granted in the Netherlands. For managing and administering the mortgage portfolio in the Netherlands, the Company uses an external service provider (Quion).

An important distinguishing feature in calculating the LGD of the Dutch mortgage portfolio is the NHG. The NHG means that the WEW guarantees the mortgage. The borrower pays a single premium for this (see the more detailed explanation in section 5.3.).

### Pooling – allocation to risk categories

The individual exposures are each assigned to a PD risk category. For the Belgian loan portfolio, there are 11 PD categories for on-balance-sheet loans and 6 PD categories for off-balance-sheet loans. For the Dutch loan portfolio, there are 5 PD categories for on-balance-sheet interest-only loans, 6 PD categories for on-balance-sheet repayment loans and 5 PD classes for off-balance-sheet loans.



Defaulted loans are classified in the default category. Each category or pool contains loans with a similar risk profile for the respective portfolio. The best risks are those in category 1, the worst in the lowest category (the default category).

The results of these models are discussed with the first-line departments and included in the GRC FR (Financial Risk). The performance of the models, as well as planned developments, is discussed at the Model Review Committee (GRC Moco).

### 7.3.2. Internal credit risk models for exposures in the investment portfolio

As part of appropriate and prudent risk management, all banking and corporate counterparties were subjected to primary analysis over a one-year time span. This also fits with the governance narrative linked to Argenta's (F)IRB status.

These analyses are all subject to a systematic risk check as part of an annually recurring process. Before inclusion in the portfolio, every financial institution, corporate and real estate counterparty is assigned an internal rating, in accordance with the (F)IRB framework authorised and implemented at the Argenta Group. This rating is reviewed at least annually. The results of these rating reviews are discussed in the monthly Rating Consultation, and finally in the Alco (Asset & Liability Committee) for the non-retail portfolio. All model-technical matters are discussed in the Model Overview Group Risk Committee (GRC Moco).

The underlying rating models for the non-retail portfolio were developed by S&P with around twenty variables taken into account for each obligor.

Internal ratings are always based on two pillars. In addition to using statistics-based expert judgement models, fundamental risk analyses are performed for each obligor and subjected to independent second line controls. The calibration of the PD values associated with the internal ratings is undertaken on the basis of historical data.



## 7.4. Overview of exposures by the IRB method

In the A-IRB (advanced) approach, models have been developed for PD and LGD. In the F-IRB (foundation) approach, a model has been developed for PD only.

The PD percentages include the defaults (for the definition see section 8.1).

The following table shows the calculated expected loss (hereinafter EL) per mortgage sub-portfolio – processed according to the IRB approach – taking into account the effective LGD and the applied 10% LGD floor.

Table 14: Overview of expected losses and provisions by mortgage sub-portfolio

	Belgium	Netherlands	Total
Total provisions recognised	20,782,849	16,167,485	36,950,334
Expected losses	36,440,130	33,326,412	69,766,542
> non-defaults	11,647,024	21,965,244	33,612,268
> defaults	24,793,106	11,361,168	36,154,274

As of 31 December 2025 the total expected losses for both defaults and non-defaults amounted to EUR 69,766,542.

For the individual mortgages processed by the IRB approach, a total of EUR 36,950,334 of provisions were recognised. These contain both the individual stage 3 provisions and the stages 1 and 2 provisions.

The attached table **CR6** gives an overview of the exposures per PD scale for the categories that are weighted according to the IRB method in respect of their status at 31/12/2025.

The most significant exposure class “secured by immovable property” is processed according to the A-IRB approach. The average PD (including defaults) for this category was 0.71% and the average LGD was 21.85%. This results in a total amount of EUR 4,137 million for the risk-weighted exposure amounts or risk-weighted exposure amounts density of 9.31%.

### Development of Loss Given Default (LGD)

The table below shows the development of the mortgage portfolio across the various LGD classes.

Table 15: Development of the mortgage sub-portfolio by LGD class

Sub-portfolio	LGD scale	Arithmetic average LGD per obligor	Number of obligors		Average annual LGD in the past	
			End of previous year	End of current year	2024	2025
Belgium	01. ]0,5]	N/A	0	0		
Belgium	02. ]5,10]	N/A	17,181	83,008	9.16%	8.63%
Belgium	03. ]10,15]	N/A	148,053	120,140	12.57%	12.07%
Belgium	04. ]15,20]	N/A	63,736	32,789	16.93%	16.95%
Belgium	05. ]20,25]	N/A	12,987	7,292	21.77%	21.84%
Belgium	06. ]25,30]	N/A	1,533	1,127	26.87%	26.51%
Belgium	07. ]30,40]	N/A	169	125	31.57%	32.17%
Belgium	08. ]40,50]	N/A	42	348	50.00%	45.91%
Belgium	14. ]100,inf[	N/A	313	0	114.37%	114.37%
Netherlands	01. ]0,5]	N/A	0	0	4.91%	
Netherlands	02. ]5,10]	N/A	1	0	9.73%	9.73%
Netherlands	03. ]10,15]	N/A	0	0	13.96%	
Netherlands	04. ]15,20]	N/A	102,726	107,407	20.00%	20.00%
Netherlands	05. ]20,25]	N/A	229	209	20.73%	20.59%
Netherlands	06. ]25,30]	N/A	2	4	25.67%	28.20%
Netherlands	07. ]30,40]	N/A	116,461	124,056	35.00%	35.00%
Netherlands	08. ]40,50]	N/A	15	12	44.37%	45.02%
Netherlands	09. ]50,60]	N/A	98	85	60.00%	60.00%

For the Belgian loan portfolio, these are the regulatory LGD values. Following approval by the JST, as the regulatory requirements were met, the factor applied to internal LGD values for performing loans will also cease to apply on 31 December 2025.

For the Dutch loan portfolio, these are the regulatory LGD values, including the restrictions imposed by the ECB.

### Backtesting the probability of default (PD)

Table CR9 (included in the appendix) shows the results of PD backtesting for the different IRB portfolios (both investment and mortgage portfolios). As there are no exposures to default in the investment portfolio, we only take a closer look at the mortgage portfolio below.

CR9 has been incorporated into the table below to make the trends discussed more clearly visible.

Table 16: Backtesting of PD of mortgage portfolios

PD range	Number of obligors at the end of the previous year		Observed average default rate (%)	Exposure weighted average PD (%)	Average PD (%)	Average historical annual default rate (%)
	a	b				
0.00 to <0.15	280,302	49	0.02%	0.09%	0.10%	0.10%
0.00 to <0.10	212,549	23	0.01%	0.07%	0.08%	0.09%
0.10 to <0.15	67,753	26	0.04%	0.14%	0.14%	0.20%
0.15 to <0.25	85,755	16	0.02%	0.18%	0.22%	0.07%
0.25 to <0.50	38,353	52	0.14%	0.35%	0.28%	0.15%
0.50 to <0.75	35,873	99	0.28%	0.51%	0.53%	0.27%
0.75 to <2.50	16,720	157	0.94%	1.41%	1.48%	1.16%
0.75 to <1.75	11,795	68	0.58%	1.23%	1.25%	1.00%
1.75 to <2.5	4,925	89	1.81%	2.04%	2.04%	1.68%
2.50 to <10.00	4,970	199	4.00%	5.99%	5.73%	4.99%
2.5 to <5	456	12	2.63%		4.20%	3.35%
5 to <10	4,514	187	4.14%	5.99%	5.88%	6.68%
10.00 to <100.00	1,572	282	17.94%	28.85%	29.63%	12.06%
10 to <20	794	87	10.96%	16.01%	16.01%	8.44%
20 to <30						
30 to <100	778	195	25.06%	40.50%	43.53%	16.85%
100.00 (Default)	2,125	2,125	100.00%	100.00%	100.00%	100.00%

The PD range was determined on the basis of the regulatory PD values from the IRB models which applied on 31 December 2024. The following columns show the number of loans as at 31/12/2024 (b) and the number of these loans going into default during 2025 (c). The observed average default rate (d) is the number of new defaults compared to the starting position. Columns (e) and (f) respectively show the exposure weighted regulatory PD values as at the end of 2024 and the unweighted regulatory PD values as at 31 December 2024.

The average historical annual default rate (g) is based on the observed default rate for the last 5 years. The observed default rate (d) is lower than the historical average (g), in almost all cases.

### Overview of flows of risk-weighted exposure amounts

Table CR8 appended to this report shows the development of the risk-weighted exposure amounts of the IRB portfolios (both A-IRB and F-IRB).

This is an overview of the changes as a result of full and partial capital repayments, changes in PD and/or LGD classes (including defaults), changes as a result of the annual calibration of the PD and LGD values and new business.

In the final quarter of 2025, the RWEA fell by EUR 100.5 million. This overall decrease is explained by the decrease of EUR 115 million related to mortgage portfolios (A-IRB), partly offset by an increase of EUR 14.5 million in the non-retail portfolio (F-IRB).

The RWEA of the mortgage portfolios has decreased because of model updates, mainly in the Belgian portfolio, including the removal of an add-on to the LGD parameter (decrease of EUR 45.9 million) and the quality of the assets (decrease of EUR 90.8 million). In addition, the volume of the assets has led to an increase of EUR 21.6 million.

The investment portfolio's increase in RWEA can mainly be explained by an increase in the size of the portfolio (EUR 27.5 million), partly offset by changes to the methodology (EUR -15.0 million).

The year-on-year fluctuation is explained in section 4.2.

### Breakdown into pools/grades

The table below breaks down the exposures to institutions (including covered bonds) and corporates by pool/grade with the corresponding PD%.

Table 17: Breakdown of corporates/institutions exposures by pool/grade

Pool/grade	PD %	Corporates 2024	Institutions 2024	Pool/grade	PD %	Corporates 2025	Institutions 2025
1	0.05%	0	114,730,040	1			
2	0.06%	46,865,561	96,774,081	2			
4	0.06%	224,841,423	0	4	0.05%	76,735,164	209,788,355
5	0.07%	395,467,232	557,401,605	5	0.06%	237,238,471	0
7				7	0.06%	688,161,000	311,748,317
8	0.08%	364,271,807	1,117,229,331	8			
10				10	0.08%	951,840,354	1,245,858,150
12	0.09%	936,488,917	731,982,332	12	0.09%	269,437,720	714,764,635
14	0.13%	763,782,851	202,430,324	14			
15				15	0.13%	732,056,012	185,989,822
17	0.18%	974,608,243	62,679,052	17			
19				19	0.17%	1,175,845,539	87,065,499
21	0.23%	1,283,107,139	46,347,018	21	0.23%	922,586,514	0
23	0.31%	332,768,610	0	23			
26				26	0.31%	430,728,527	0
32	0.60%	17,785,105	0	32			
34				34	0.59%	14,782,803	0
46	4.43%	20,174,829	0	46	4.36%	9,262,995	0
54	8.91%	12,339,929	0	54			
67	74.17%	37,019,325	0	67	74.03%	37,262,356	0
<b>Total</b>		<b>5,409,520,973</b>	<b>2,929,573,782</b>	<b>Total</b>		<b>5,545,937,456</b>	<b>2,755,214,777</b>
<b>RWEA</b>		<b>2,224,105,812</b>	<b>527,668,672</b>	<b>RWEA</b>		<b>1,801,045,211</b>	<b>493,911,460</b>
<b>Own funds requirement</b>		<b>177,928,465</b>	<b>42,213,494</b>	<b>Own funds requirement</b>		<b>144,083,617</b>	<b>39,512,917</b>

## 8. Credit risk adjustments

For a more detailed explanation of credit risk, credit risk management and the valuation rules in force, please refer to Notes 1. “Accounting policies – valuation rules – impairments” and 4.3. “Financial risks – Credit risk” in section 8.9. “Discussion of the consolidated financial statements” in the Company’s integrated annual report.

### 8.1. Definition of “past due” and “in default”

A credit is considered “past due” in the prudential reporting if at least one of the following criteria is met:

- The receivable is more than 90 consecutive days past due, taking into account the materiality thresholds included in CRR;
- The Company has knowledge of factors indicating that repayment is unlikely.

The arrears include outstanding capital, past due interest and related costs (such as late payment interest, fines, fees). The day count of arrears takes into account the materiality thresholds from the CRR regulation.

UTP (unlikely to pay) indicators showing that payment is unlikely are recorded at individual obligor level. Here the Company makes a distinction between:

- Indicators that immediately give rise to a recording of default;
- Indicators that give rise to an assessment with a possible recording as a default.

The granting of forbearance measures gives rise to the recording of default in the cases provided for in the CRR regulation.

When a significant portion (more than 20%) of the obligor’s total outstanding debt is considered in default, the Company considers it unlikely that the obligor’s other obligations will be fully discharged and the entire amount of all claims on this obligor are also classified as in default.

If the criteria for recognising the claim as in default no longer apply, the claim can be remediated if no new default criteria are established during the probation period.

If the conditions for remediation are violated during the probation period, a new period of at least 3 months will start. For claims in default due to forbearance measures, the probation period is 12 months.

Loans that are considered to be in default are consequently reviewed (taking into account also the collateral received) to verify whether impairment losses need to be recognised.

### 8.2. Disclosures on the credit quality of the exposures

Past due positions only occur in the “retail” and “secured by immovable property” exposure classes. The positions listed below are classified as “exposures in default” in the own funds calculation. Geographically these loans are located almost entirely in the core countries of Belgium and the Netherlands.

Table 18: Geographical breakdown of past due (IRB) risk exposures at year-end

Country	Past due exposure 2024	Past due exposure 2025
BE	107,513,103	103,475,934
NL	58,827,938	54,943,336
Other	875,771	661,599
<b>Total past due exposures</b>	<b>167,216,811</b>	<b>159,080,869</b>

This concerns the total of the exposures processed according to the IRB method.

An overview of the impairments recorded in the balance sheet is provided below. Further explanation can be found in section 8.9. “Discussion of the consolidated financial statements” – Note 4.3. “Financial risks – Credit risk” in the integrated annual reports.

Table 19: Overview of recorded impairments

	01/01/2025	Increase due to origination and acquisition	Decrease due to derecognition	Changes in credit risk (net)	Changes due to modifications without derecognition (net)	Decrease in allowance accounts due to write-offs	Other	31/12/2025
<b>Stage 1</b>	<b>-6,059,178</b>	<b>-1,720,507</b>	<b>454,190</b>	<b>2,041,010</b>	<b>0</b>		<b>-84,672</b>	<b>-5,369,157</b>
Fixed-income securities	-3,385,785	-917,158	250,350	1,528,783	0		0	-2,523,809
Loans and advances	-2,673,393	-803,349	203,840	512,226	0		-84,672	-2,845,347
<b>Stage 2</b>	<b>-29,374,500</b>	<b>-293,646</b>	<b>1,388,883</b>	<b>333,395</b>	<b>-200,708</b>		<b>-1,002,705</b>	<b>-29,149,281</b>
Fixed-income securities	-16,631,314	0	8,563	2,554,267	0		0	-14,068,485
Loans and advances	-12,743,186	-293,646	1,380,320	-2,220,872	-200,708		-1,002,705	-15,080,796
<b>Stage 3</b>	<b>-23,607,555</b>	<b>0</b>	<b>7,035,683</b>	<b>-11,037,337</b>	<b>-3,965</b>	<b>4,625,909</b>	<b>-4,044,059</b>	<b>-27,031,323</b>
Fixed-income securities	0	0	0	0	0	0	0	0
Loans and advances	-23,607,555	0	7,035,683	-11,037,337	-3,965	4,625,909	-4,044,059	-27,031,323
<b>Total</b>	<b>-59,041,233</b>	<b>-2,014,153</b>	<b>8,878,757</b>	<b>-8,662,932</b>	<b>-204,672</b>	<b>4,625,909</b>	<b>-5,131,436</b>	<b>-61,549,761</b>
<b>Total provisions for commitments and financial guarantees given</b>	<b>-1,404,938</b>	<b>-2,073,358</b>	<b>2,108,448</b>	<b>-20,016</b>	<b>-748</b>	<b>0</b>	<b>-6,652</b>	<b>-1,397,263</b>
Stage 1	-1,083,174	-1,001,906	956,604	38,573	0		1,732	-1,088,171
Stage 2	-321,764	-1,071,451	1,151,844	-58,589	-748		-8,384	-309,092
Stage 3	0	0	0	0	0	0	0	0

A description of the fluctuations in the impairments recorded is included in section 8.9. “Discussion of the consolidated financial statements” – Note 36. “Impairments” in BVg’s integrated annual report.

The Company has a gross NPL ratio of less than 5%, i.e. 0.38% as of 31 December 2025. Consequently, the Company is not required to disclose the tables CR2-A, CQ2, CQ6 and CQ8 on credit quality. Table CQ7 does not apply to the Company, as no collateral has been obtained through taking possession and execution processes. The other tables can be found in the separate Excel appendix.

## 9. Encumbered and unencumbered assets

Financial institutions are required, on a continuous basis, to disclose information on encumbered and unencumbered assets for the previous twelve months, based on median values of at least quarterly data.

Table 20: Overview of encumbered assets

	31/12/2024 nominal value	31/12/2024 market value	31/12/2025 nominal value	31/12/2025 market value	average 2025 nominal value	average 2025 market value
<b>Debt securities</b>						
Collateral for derivatives (caps and swaps)	535,000,000	517,390,680	624,000,000	615,033,710	586,384,615	573,102,835
Collateral for Bank Card Company	73,650,000	73,218,136	81,000,000	77,390,640	79,900,000	78,166,273
Collateral for covered bonds	105,000,000	106,868,438	135,000,000	134,487,250	132,692,308	132,738,035
Collateral for Target2 platform	50,000,000	53,150,700	50,000,000	49,310,000	50,000,000	49,991,462
Collateral for NBB credit lines received	319,193,000	309,637,050	321,900,000	315,066,620	321,483,538	313,047,881
<b>Total collateral given</b>	<b>1,082,843,000</b>	<b>1,060,265,004</b>	<b>1,211,900,000</b>	<b>1,191,288,220</b>	<b>1,170,460,462</b>	<b>1,147,046,485</b>
Collateral for derivatives (caps and swaps)	-98,457,712	-103,139,516	-91,642,317	-83,164,114	-105,482,661	-101,077,034
<b>Total collateral received</b>	<b>-98,457,712</b>	<b>-103,139,516</b>	<b>-91,642,317</b>	<b>-83,164,114</b>	<b>-105,482,661</b>	<b>-101,077,034</b>
<b>Loans and advances</b>						
Collateral for covered bonds	5,534,420,004		6,866,397,027		6,468,549,231	
<b>Cash</b>						
Cash paid (derivatives)		133,448,898		50,899,000		60,083,681
Cash received (derivatives)		-914,091,108		-1,301,984,806		-1,030,911,659
<b>Net collateral received</b>		<b>-780,642,211</b>		<b>-1,251,085,806</b>		<b>-970,827,978</b>

By the end of 2025, EUR 624 million had been encumbered for derivatives, EUR 81 million for customer credit cards, EUR 135 million for debt instruments and EUR 6.9 billion for loans under covered bond issues. Part of these loans relates to the retained covered bond amounting to EUR 0.5 billion.

In addition, EUR 50.9 million in cash was paid out and EUR 1,302 million in cash was received in connection with the collateral management of derivative instruments. This is the exchange of cash collateral (variation margin) to hedge against credit risk arising from fluctuations in the value of derivatives.

Aspa provided EUR 50 million in collateral for the Target2 platform. There is also a EUR 321.9 million credit line with the NBB, for which securities will be encumbered as and when this credit line is used.

As of 31/12/2025, there are loans that are securitised, but at consolidated level are included back in the balance sheet. The underlying mortgage receivables for the own securitisation are encumbered within the SPV structure. More information is included in section 15.1. "Own securitisations". The securitisations issued are characterised by over-collateralisation, as the assets in the pools concerned are higher than the actual issues.

The subsidiary Aspa has also issued covered bonds (Belgian covered bonds) totalling EUR 5,500 million, of which EUR 500 million relates to its own retained covered bond.

Apart from the collateral mentioned above, no other assets of the Company were encumbered. The remaining assets on the balance sheet can therefore be considered as unencumbered. Table **AE1** appended to this report provides an overview of the encumbered and unencumbered assets, and table **AE2** provides an overview of collateral received.

Table **AE3** appended to this report shows the link between encumbered assets, collateral received and related liabilities. The ratio between (i) the assets concerned and collateral received and own debt securities issued and (ii) the matching liabilities, contingent liabilities and securities lent is 127%, which is mainly explained by over-collateralisation on derivatives and debt securities issued.

The derivatives are concluded in the framework of the Company's management of its own interest rate risk. The derivatives concerned and collateral given and received are reported systematically to the Alco.

As a result of, among other things, the European Market Infrastructure Regulation (EMIR), collateral management has evolved significantly in recent years. EMIR is intended to make trading in Over-the-Counter (OTC) derivatives more transparent and safer.



EMIR's entry into force has brought with it mandatory central settlement and the reporting of OTC transactions to Trade Repositories (additional requirements under EMIR Refit from 2024). All new swap transactions are therefore settled through a central counterparty.

EMIR 3.0 imposes an additional requirement that a minimum number of transactions must be settled through a European central counterparty (EU CCP). In 2025, the Company therefore began executing transactions on Eurex, including via the two clearing members mentioned above (AACB and JP Morgan).

Whereas in the past, it was essentially securities that were used as collateral, the use of the CCPs means it is now predominantly cash that is exchanged.

## 10. Use of ratings from external credit assessment institutions (ECAIs)

The Company uses the ratings of the three rating agencies (external credit assessment institutions – ECAIs) in determining the weighting percentages. These agencies are included in the list of external credit assessment institutions published by EBA as laid down in Article 135(2) of the CRR regulation.

In line with CRR Articles 138 and 139, Argenta uses the rating of a specific issue programme or issue facility (“issue rating”) to determine the applicable risk weight. Where this specific rating is not available, the issuer’s rating will be used for risk weighting. Where neither rating type is available, the relevant exposure is treated as an unrated exposure.

Based on these external ratings of the securities involved, a RWA percentage is assigned. In line with the imposed principles, the second best available rating is always used in the calculations. When, for example, only two ratings are available, the second will still be used. This method is also applied for the securitisation positions. The table below provides an overview of all exposure classes for which external ratings are used in the standardised approach. If no external rating is available for a specific position, the risk weights included in the CRR are applied.

The ratings of all listed securities are systematically monitored by the CRA sub-department as part of the tracking of credit risk. The financial policy and the RAF set limits for the minimum ratings which the various asset classes are required to meet. If the ratings fall below the intended limits, this is systematically reported and, where necessary, a decision is taken whether or not to continue to hold the security.

The Company uses the standard associations published to obtain the risk-weighted exposure amounts on the basis of the ratings of the securities concerned.

For this calculation the ratings of the three rating agencies chosen are used. These ratings are publicly available.

Table 21: Overview of Basel STA classes for which ratings are used at year-end

Exposure (STA)	Exposure 31/12/2024	Exposure 31/12/2025
Central governments or central banks	4,150,588,784	6,168,819,378
Regional governments and local authorities	709,699,229	905,826,544
Public sector entities	118,858,690	125,936,650
Corporates	215,835,750	168,212,810
Subordinated debt instruments		8,753,833

As explained in the “Risk Management” section of the integrated annual report (note on credit risk), the CRA sub-department also determines internal ratings.



## 11. Exposure to market risk


The derivative transactions shown in the Company's balance sheet under assets and liabilities held for trading purposes were all concluded in the context of (a) hedging the interest rate risk of the banking book or (b) as part of a securitisation transaction.

The Company does not make specific calculations for market risk in the trading book, since the Company does not maintain a trading book or hold any foreign currency instruments.

In calculating the credit risk, these derivatives are processed using the SA-CCR approach.

## 12. Exposure to operational risk and other non-financial risks

The Company applies the standardised approach for calculating the required own funds for operational risk.

 Under this approach, the own funds requirements are calculated on the basis of a business indicator (BI), which serves as a measure of the size of the Company's business. The business indicator is derived from components of the balance sheet and statement of profit or loss, including net interest income, net commission and fee income, and other operating income.

The business indicator component (BIC) is calculated on the basis of the size of the business indicator, using regulatory marginal coefficients.

As at 31 December 2025, the Company must maintain own funds of EUR 138,002,945 for the operational risk.

Within ICAAP Pillar 2, operational risk is capitalised by increasing the Pillar 1 amount by the operational loss under a stress scenario.

In 2025, the priorities for non-financial risks were resilience risk, data management risk, sourcing risk, information security and cyber risk, and the compliance risks of AML and privacy.

Information security and cyber risk, data risk, data management risk, fraud risk, and the AML and privacy compliance risks have been identified as non-financial hotspots for 2026, based on the hotspot assessment carried out by the second-line control functions.

The overarching definition for non-financial risks is risks of loss or gain as a result of inadequate or failing internal processes, people or systems. Examples include processes that do not meet legal requirements, employee fraud or errors, and system failures. External events such as natural disasters, cybercrime or faults in the Company's suppliers or counterparties' external systems may also give rise to these risks.

For further information regarding non-financial risks, please refer to section 8.9. "Discussion of the consolidated financial statements" – Note 4.5 of the BVg integrated annual report, where the non-financial risks (NFR) are described in greater detail.

## 13. Exposure to equity risk

In addition to a limited number of strategic equity investments, the Bank Pool also holds a limited number of positions in individual shares (from an investment perspective).

The Company's strategic investments amounted to just EUR 61,325. This position contains shares of a small number of entities that have already been held by the Company for a long time.

In addition, the Company has, in recent years, built up a limited position in shares acquired from an investment perspective and linked to real estate companies among others.

These shares are all accounted for using the standardised approach. In addition, a small number of subordinated loans to and participations in associates have also been included in this class.

Table 22: Overview of shares according to the STA approach

	Carrying amount	Market value	Unrealised gain/loss	Realised gain/loss
Strategic participations	61,325	61,325	0	0
Participations in associates	90,000	68,089	-21,911	0
Investments	14,776,432	10,180,314	-4,596,119	0
Listed	11,827,308	6,754,189	-5,073,119	0
Private equity	0	0	0	0
Other	2,949,125	3,426,125	477,000	0
<b>Total</b>	<b>14,927,757</b>	<b>10,309,727</b>	<b>-4,618,030</b>	<b>0</b>

Shares that are traded on an active market are accounted for at market value.

### Recognising the insurance participation at BVg CRR scope level

As already explained, the participation in the insurance pool at BVg level is treated as an exposure using the Danish Compromise (DC) and weighted under the standardised approach at 250%.

The participating interest in question is therefore not deducted from own funds (non-deducted participations in insurance undertakings). Please refer to the appended **INS1** template for an overview of non-deducted participations in insurance undertakings.

The participation value amounts to EUR 176,445,506, which is multiplied by 250% in order to obtain a risk-weighted exposure amount of EUR 441,113,766 and a capital requirement of EUR 35,289,101.



## 14. Exposure to interest rate and spread widening risk

This section gives further information on the assumptions used by the Company in monitoring the interest rate risk in the banking book (Interest Rate Risk in the Banking Book, IRRBB) and spread widening risk in the banking book (Credit Spread Risk in the Banking Book, CSRBB). A detailed explanation can also be found in the BVg integrated annual report, under sections 4.1. "Risk policy" and 8.9. "Discussion of the consolidated financial statements" – Note 4. "Risk management". The banking book consists of all interest-bearing components of the institution's balance sheet not belonging to a trading book. Non-interest-bearing assets do not form part of the banking book. The Company's interest-bearing assets belong exclusively to the banking book.

IRRBB is defined as the exposure of an institution's profitability and equity to adverse market interest rate movements. CSRBB is defined as the exposure of an institution's profitability and equity to adverse credit spread movements.

### Interest rate risk

The interest rate risk in the event of various shocks to the yield curve is monitored and managed both from an income perspective and an economic value perspective.

The economic value of the banking book, and its sensitivity, is the algebraic sum of the discounted cash flows of the interest-bearing components of the banking book over their interest duration at current and shocked market rates, excluding the commercial margins thereon.

The income perspective monitors the net interest income, the difference between interest income and interest expenses and the sensitivity of these to interest rate shocks. This figure also takes into account the changes in the market value of interest rate derivatives recognised through the income statement. Since 1 October 2008, hedge accounting has been applied to the interest rate derivatives when they have a demonstrable interest rate risk-reducing character, except for changes in the time value of swaptions and the change in the full value of caps.

A retail bank's interest rate risk is determined to a great extent by the mismatch between the average interest duration of all interest-bearing assets (primarily mortgages) and liabilities (primarily savings accounts). The greater the mismatch, the greater the interest rate sensitivity.

Within ALM, all interest-bearing assets, liabilities and off-balance-sheet positions (including hedging against interest rate risk via interest rate derivatives) are modelled in accordance with their maturity and re-pricing behaviour. Behavioural models capture the prepayment risks on mortgages and the maturity and re-pricing behaviour of deposits with no contractual interest rate maturity date. All material sources of interest rate risk are considered, in accordance with the prevailing guidelines and legislation.

Apart from interest rate risk, the model risk of behaviour differing from the standard modelled behaviour and of possible business risk are monitored or possibly capitalised in ICAAP.

The Alco or the GRC Moco can decide to adjust a methodology or behavioural model as a result of performance developments or regulatory developments.

To monitor economic value, ALM uses the swap versus 3M Euribor as the reference curve for the risk-free yield curve. No additional discount margins are applied to this discounting curve, nor are the commercial margins included in the cash flows discounted. In this way, the interest rate risk is measured cleanly and the most effective hedging measures can thus be taken. Interest rate risk is further broken down into gap risk, option risk and basis risk.

The interest rate risk is monitored within ALM under a wide range of defined interest rate shocks. For income analyses, a flat-balance hypothesis is applied, which means that both the balance sheet size and balance sheet mix remain unchanged. This method is conservative and in line with market practice. The robustness of the business model is also monitored periodically under the defined range of interest rate shocks.

A monthly Hedging Committee made up of members of Treasury & ALM, Risk and Treasury & Investment Services (Middle Office), takes and implements exogenous hedging decisions. This is done within the limits of a mandate from the Alco, to which the body reports monthly.

The Alco ensures that the RAF limits set are respected and that the voluntary RAF levels are pursued. As a function of a discussion in the Risk Committee, these voluntary RAF levels are determined and included in the business plan cycle.

The interest rate risk of activities not forming part of the trading book is included in the table below (and also in table **IRRBB1** appended to this report). Qualitative notes on this risk are also included in table **IRRBBA**.

Table 23: Overview of interest rate risks of non-trading book activities

		Changes in the economic value of equity		Changes in net interest income	
		Current period	Last period	Current period	Last period
1	Parallel up	-253,680,441	-135,638,732	26,221,323	49,262,908
2	Parallel down	20,018,822	-181,141,061	-56,506,799	-92,272,619
3	Steeper	-187,226,043	-190,229,837		
4	Flattener	60,512,457	64,474,713		
5	Short rates up	28,025,011	57,354,688		
6	Short rates down	-62,920,368	-130,191,570		

With regard to value sensitivity – economic value of equity (EVE), the parallel up scenario has the greatest impact at -7.62%, and with regard to income sensitivity, the parallel down scenario has the greatest impact at -1.70%. The limits that the Company imposes on itself are included in the “Market Risk” standard.

#### Approach to the behaviour of deposits with no contractual maturity

For both internal risk monitoring and prudential reporting, the maturity and re-pricing behaviour of savings and current accounts is modelled using internally developed replicating models. The models in question are econometric behaviour models that determine a risk-neutral reinvestment strategy for this portfolio.

The replicating model is simpler in design for Belgian current accounts than for Belgian and Dutch savings accounts because this is by nature a volume-sensitive rather than a price-sensitive portfolio. In order to capture the behaviour of this portfolio in the measurements, an explicit distinction is made here between “core” and “non-core” volumes.

The replicating models are subject to the internal Model Risk Management Governance. They are periodically backtested to monitor their performance, with recalibration or remodelling carried out where necessary, and this is reported on internally.

#### Approach to option risks

Within interest rate risk management, the Company distinguishes the following optional risks in the balance sheet.

1. With the first option, the customer has the possibility to prepay a mortgage. An interest rate-dynamic prepayment model is applied to both the Belgian mortgages and the Dutch mortgages in order to capture the potential prepayment behaviour in the measurements.

These prepayment models are subject to the internal Model Risk Management Governance. They are periodically backtested to monitor their performance, with recalibration or remodelling carried out where necessary, and this is reported on internally.

2. With the second option, Belgian mortgage rates are automatically capped/floored by a contractual and statutory maximum increase or reduction when interest rates are revised. The impact on results and value is captured in the measurement of the interest rate risk.
3. With the third option, savings rates on regulated savings accounts can be floored by the statutory minimum interest rate. The impact of this on results and value is applied in the measurement of the interest rate risk.
4. With the fourth option, interest rate revisions of Dutch RMBS issues are contractually floored at 0%.

### Approach to pipeline risk

Between the acceptance of a mortgage and execution of the notarial deeds of sale, market interest rate fluctuations can change the interest rate at which the mortgage is ultimately concluded. If interest rates are rising, the customer will be entitled to the lower rate which applied when the mortgage was applied for. If market rates are falling, the customer will have the opportunity to benefit from a lower rate.

In this period, in which loans have been granted but the rate is not yet finally established, an exposure to pipeline risk exists. The interest rate risk in the credit pipeline, which is highly likely to be recognised on the balance sheet, is captured in the measurement of the interest rate risk from both the economic value perspective and the income perspective.

The ALM sub-department, which is part of the ALM & Treasury department, reports monthly to the Alco on developments in the aforementioned types of interest rate risk.

### Spread widening risk

The spread widening risk is monitored and managed both from an income perspective and from an economic value perspective.

The economic value of the banking book, and its sensitivity, is the algebraic sum of the cash flows of the interest-bearing components of the banking book discounted over their term under current and shocked spreads, respectively.

The income perspective monitors the net interest income, the difference between interest income and interest expenses and the sensitivity of these to spread shocks.

A retail bank's spread widening risk is determined by the fact that interest-bearing bonds in the investment portfolio are linked to a market interest rate that differs from the risk-free rate used. This reference curve is the Swap versus 3M Euribor, which is also used within interest rate risk management. The greater the mismatch, the greater the sensitivity.

All material sources of spread widening risk are considered, in compliance with the prevailing guidelines and legislation.

The spreads used include both credit risk and market liquidity.

To monitor economic value, the CRA sub-department calculates different levels of spread shocks on the bonds in the investment portfolio. This is done on the basis of market data differentiated by asset class and rating.

To monitor the income perspective, under a flat balance assumption, ALM also applies shocks to the investment portfolio.

The table below quantifies the impact of this risk under both perspectives. The most negative impact on market value is determined by the scenario of widening spreads, while for the impact on net interest income, it is determined by the scenario of narrowing spreads.



Table 24: Overview of spread widening risks of non-trading book activities

	Current period	Last period
Impact on the market value in % of equity	-14.02%	-14.10%
Impact on NII	-8,759,037	-4,465,110

The Alco ensures that the RAF limits set are respected and that the voluntary RAF levels are pursued.

The Alco or the GRC Moco can decide to adjust a methodology as a result of market or regulatory developments.

## 15. Exposures to securitisation positions

### 15.1. Own securitisations

In 2018, 2019, 2021 and 2025, securitisation transactions were carried out involving portfolios of Dutch residential mortgages through the Green Apple 2018-I-NHG SPV, the Green Apple 2019-I-NHG SPV, the Green Apple 2021-I SPV and the Golden Apple 2025-I-NHG SPV. In 2025, the Green Apple 2018 SPV issue was called.

These are traditional securitisation transactions, undertaken with the objective of attracting new funding with a view to continuing to offer mortgages.



Aspa has itself purchased the B and C notes issued by the SPVs with an outstanding exposure of EUR 259,034,400. The A notes were placed with institutional investors.

The Green Apple and Golden Apple SPVs – which executed the securitisation transactions – are fully consolidated under the IFRS standards, so that the underlying Dutch mortgages return to the consolidated entity's balance sheet.

Both the liquidity risk and interest rate risk of the underlying loans (and consequently the notes held internally) are also managed by the Company in accordance with the standard reporting and governance of the Argenta Group. The interest rate risk remains with the Company due to the presence of a cap structure in the global transaction.

A detailed explanation of the various Green Apple and Golden Apple issues and the overall structure can be found on the website [www.argenta.eu](http://www.argenta.eu). The features of the issues, prospectus and investor presentation, can be found under the “debt issuance” heading.

The table below contains a summary of the own securitisations for the current period. These securitisations relate to mortgages and are therefore related to the exposure class “secured by immovable property”.

Table 25: Overview of exposures of own securitisations

Total exposure	Performing	Non-performing	Of which: past due	Accumulated impairments	Of which stage 1:	Of which stage 2:	Of which stage 3:
1,861,586,135	1,861,177,638	408,497	408,497	426,335	68,316	338,044	19,975

The impairments recorded on own securitisations (based on the loans from the four entities that are included as exposure in the calculation of the credit risk requirements) amount to EUR 426,355 in 2025, EUR 68,316 of which for stage 1, EUR 338,044 for stage 2 and finally EUR 19,975 for stage 3 loans.

#### Role as initiator in securitisation transactions

Aspa plays several roles in securitisation operations. As initiator (*originator*) of securitisation operations, Aspa (*seller*) sells the loans for securitisation to the issuer.

In the case of the Aspa-initiated securitisation operation, the issuer is an SPV established under Dutch law, namely Green Apple BV or Golden Apple BV. This company buys the loans and issues bonds (notes) to pay for this purchase.

The Green Apple and Golden Apple SPVs are administered by Intertrust Services, an independent Dutch company specialising in securitisation operations and trust management.

Aspa is also involved in the transaction as a party in the structure of a front and back cap, which means the interest rate risk remains with the Company.

The Company is not involved as a sponsor in other securitisation transactions. However, the Company is also involved in other securitisation operations through its role as an investor (see section 15.2. Portfolio of securitisation positions).

### CRR approaches applied

The own securitisation transactions do not envisage a release of capital, and the Company assesses that there is no significant transfer of credit risk. For this reason, a capital requirement is calculated for all securitised loans at Aspa solo level. This replaces the calculation of a capital requirement for the (self-purchased) B and C notes. For this reason a capital requirement is calculated for the underlying loans instead of the issued notes that were purchased by Aspa.

Under IFRS, the Green Apple and Golden Apple SPVs are fully consolidated, so that the underlying Dutch mortgages remain on the consolidating entity's balance sheet. At the consolidated level, the capital calculations on the mortgages are retained (since the loans return onto the balance sheet) and the outstanding self-purchased B and C notes are eliminated in the consolidation.

### Accounting policies

The securitisation operations can take the form of a sale of the assets in question to a special purpose vehicle (SPV) or the transfer of the credit risk by means of credit derivatives.

An SPV issues tranches of securities to fund the purchase of the assets. The financial assets involved in a securitisation are no longer (fully or partially) accounted for in the financial statements of the issuing institution whenever the company in question transfers virtually all the risks and income from the assets (or parts thereof).

The B and C notes of the Green Apple 2019-I-NHG, Green Apple 2021-I and Golden Apple 2025-I-NHG issues are recognised at amortised cost at Aspa solo level, given the intention to retain these securities until the maturity date. At consolidated level, these notes are eliminated and the loans come back onto Aspa's and the Company's balance sheets.

At consolidated level, no gains are realised on the sale of the loans. Owing to the DPP (deferred purchase price) method, the net interest income from the loans comes into the statement of profit or loss on an unconsolidated basis.

## 15.2. Portfolio of securitisation positions

In addition to the securitisation transactions described above and performed by the Company itself, the Company holds a number of asset-backed securities (ABS) and mortgage-backed securities (MBS) as part of its investment policy.

These securities form part of the Company's investment portfolio (the Company has no trading book), with the risks monitored in accordance with the governance for the global investment portfolio.

The Company invests only in the A tranches of securitisation transactions and has no "re-securitisation" positions in its possession. These positions are processed by the SEC-ERBA method under the "securitisation positions" exposure class.

All purchased securitisation positions are included in the institution's investment portfolio. The Treasury & Investment Services (TIS – Middle Office) sub-department is responsible for analysing whether a securitisation position can be regarded as an STS (Simple, Transparent & Standardised) securitisation and therefore qualifies for a differentiated capital treatment.

All securitisation positions that Aspa has acquired are listed. In this way, an external valuation of these effects is obtained. A more detailed explanation of the fair value of financial instruments is given in the Company's integrated annual report.

The table below gives a geographical overview of the securitisation positions purchased as investments. This geographical distribution is based (as for the entire portfolio) on the issuer's country code.

Table 26: Geographic distribution of securitisation exposures at year-end

Type	Country	Exposure 2024	Exposure 2025
MBS	ES	4,344,825	995,416
MBS	NL	299,968,212	292,662,315
ABS	BE	7,947,787	0
ABS	DE	7,134,846	0
ABS	FR	64,799,246	39,202,553
ABS	IE	32,996,315	10,195,134
ABS	LU	120,403,448	59,232,370
ABS	NL	19,805,014	12,931,813
<b>Total securitisation positions</b>		<b>557,399,693</b>	<b>415,219,601</b>

The following table gives an overview of the securitisation positions involved, with their external ratings (indicating the credit quality of the securities), their EAD and the total capital requirement by the SEC-ERBA method.

The ratings given to the transactions by the credit assessment institutions involved are used for the weightings and the calculation of the capital requirements, after the second best rating is determined.

Table 27: Overview of EADs and capital requirements of securitisation positions

Second best rating		ABS	MBS	Total
AAA	EAD	121,561,870	292,941,897	414,503,767
	Capital requirement	1,923,420	2,351,499	4,274,919
A+	EAD		715,834	715,834
	Capital requirement		28,633	28,633
<b>Total EAD</b>		<b>121,561,870</b>	<b>293,657,731</b>	<b>415,219,601</b>
<b>Total capital requirement</b>		<b>1,923,420</b>	<b>2,380,132</b>	<b>4,303,552</b>

The portfolio of securitisation positions has fallen from an exposure of EUR 557,399,693 as of 31 December 2024 to EUR 415,219,601 as of 31 December 2025.

Applying the weighting percentages and the 8% requirement, a capital requirement of EUR 4,303,552 (compared with EUR 6,556,551 at the end of 2024) was obtained for these purchased securitisation positions.

The Company only buys tranches of the highest credit quality (see table above with the indication of ratings). Consequently, no single securitisation position is weighted at 1,250% and no amounts have to be deducted from its qualifying own funds (Article 444 CRR (e)). Nor are any credit risk mitigations applied for these exposures in the capital calculations.

### 15.3. Tracking of securitisation positions

The Credit Risk Analysis (CRA) sub-department is responsible for tracking the positions of the investment portfolio and the purchased securitisation positions. The purchased positions are monitored systematically. Every three months a comprehensive analysis report is prepared on these positions and is discussed in the Alco. Based on the evolution of the credit risk of the underlying assets of the securitisation positions, proposals are made to recognise provisions.

The analysis report provides an overview of the performance of the Structured Credit Portfolio (SCP). The RMBS and ABS transactions are monitored on the basis of Coverage Ratios (CR).

A CR measures the extent to which the existing credit enhancement (CE) of an RMBS can cover the expected losses (EL) on the underlying pool of loans, in the event of non-performance or default. The expected losses are determined on the basis of an estimate of the total Probability of Default (PD), and an estimate of the size of the Loss Given Default (LGD). The expected loss relates to the principal that remains unpaid after the sale of the guarantees.

The CRs provide an overview of the performance of both the total portfolio and the individual transactions. The CRs are further calculated in a base case and severe case scenario. A CR greater than 1 indicates that the available credit enhancement can absorb the expected losses within the transaction and that no losses are expected on the tranche in the portfolio. Given that the great majority of the RMBS portfolio consists of Dutch RMBSs, a benchmark is set for the comparison of performance.

As reported, the Company buys only the top tranches of the issued securitisation positions, as a result of which it has not so far suffered any effective loss on these positions. The total capital requirement for securitisation positions has fallen (partly due to the decline in the portfolio). The Company does not have any re-securitisation or synthetic securitisation in its portfolio. Moreover, it does not have a trading portfolio. The elements of the investment portfolio have been included in the table below.

Table 28: Overview of key data on securitisation positions

Overview of securitisation positions	Investment portfolio
Total securitisation portfolio	415,219,601
Of which exposure type MBS (Mortgage Backed Securities)	293,657,731
Of which exposure type ABS (Asset Backed Securities)	121,561,870
Traditional securitisations	415,219,601
Synthetic securitisations	0
Re-securitisation positions	0
<b>Details of Green Apple 2019 SPV</b>	
Outstanding amount of the issued notes at end 2025	326,338,842
Outstanding amount of the purchased B and C notes at end 2025	112,400,000
Securitised loans in July 2019	935,793,960
<b>Details of Green Apple 2021 SPV</b>	
Outstanding amount of the issued notes at end 2025	445,495,254
Outstanding amount of the purchased B and C notes at end 2025	94,600,000
Securitised loans in July 2021	743,220,838
<b>Details of Golden Apple 2025 SPV</b>	
Outstanding amount of the issued notes at end 2025	739,579,884
Outstanding amount of the purchased B and C notes at end 2025	52,034,400
Securitised loans in July 2025	795,156,111
Assets already assigned for securitisation	0
Capital requirement of purchased securitisation positions	4,303,552
Deducted from own funds or 1,250% weighting	N/A

Both at unconsolidated and at consolidated level, the capital requirement is calculated on the underlying loans and not on the self-purchased Green Apple and Golden Apple notes.

## 16. Leverage

The CRR/CRD regulations require financial institutions to calculate, report and track their leverage ratio.

The leverage ratio is a non-risk based rule for measuring the build-up of leveraged financing. Limits restrict the ability of financial institutions to apply too much leverage to their capital base. It is calculated as a ratio between Tier 1 capital and total on-balance-sheet and off-balance-sheet exposures.

### Process for tracking and managing the risk of an of excessive leverage ratio

The Company closely tracks its leveraged financing. In the RAF, the leverage ratio is one of the indicators that are systematically included in the periodic reports to management and to the Board's Risk Committee.

The RAF limits framework provides for an orange zone from 3.375% upwards and a green zone from 4% upwards. It also aims for a 5% level for Aspa as a voluntary target.

The Financial Management department also reports on this ratio to the Executive Committee and Board of Directors.

Table **LR2** appended to this report gives the leverage ratio of the Company.

### Description of the factors impacting the leverage ratio



The total leverage ratio exposure as of 31/12/2025 was EUR 62,502,630,668 (compared with EUR 57,259,265,542 as of 31/12/2024). The corresponding leverage ratio is 5.32% (compared to 5.37% at 31/12/2024). At the consolidated level of Argenta Spaarbank, the leverage ratio was 5.04% at the end of 2025.

The leverage ratio has fallen slightly compared with 2024 due to the relatively stronger increase in exposure due to the reinvestment of funds received from the growth in savings and the issue of debt instruments, compared with the growth in equity.

### Reconciliation between total assets in the annual report and the measure of total exposure for the leverage ratio

The reconciliation between the total assets shown in the annual financial statements and the measure of total exposure for calculating the leverage ratio can be found in the attached table **LR1**.

## 17. Capital and liquidity management

### Capital management

The Company is obliged to implement adequate processes and systems aimed at guaranteeing its long-term capital adequacy, taking into account all material risks and future changes in regulatory capital requirements.

These processes are known internationally as the Internal Capital Adequacy Assessment Process (ICAAP). The goal of the Argenta Group's risk management is to have the best possible capital structure and risk control with which it continues to meet the statutory capital requirements.

Implementing the business plan, which requires sufficient capital to be available at all times to pursue the planned growth, is a key focus here. The business plan therefore forms an important anchoring point for the various (normative and economic) ICAAP calculations, with the ICAAP results also playing a decisive role in the approval process.

The Company pursues a policy of self-financing and therefore applies a prudent and conservative level of dividend payments. To retain a level of capital that provides sufficient room to support growth and meet the financial and operational risks, the Company seeks to satisfy its potential capital requirements with (a) retained earnings, (b) possible capital increases, and (c) subordinated alternative Tier 1 and Tier 2 loans. In addition, decisions may be taken to lighten the balance sheet by selling assets or by securitising part of the mortgage portfolios. In addition to managing the regulatory capital ratios, the capital requirements arising from the MREL (Minimum Requirement for own funds and Eligible Liabilities) and ALAC (Additional Loss-Absorbing Capacity) obligations (or minimum requirements) are also actively monitored with (d) senior non-preferred issues, so that the Argenta Group has robust solvency.

The risks to which the Company is exposed require a risk buffer in the form of own funds. The ongoing development of its activities as a conventional savings bank and hence, among other things, as a “transformation bank” (a bank that converts (transforms) funds deposited for the short term into long(er)-term investments), calls for continuous monitoring of the required own funds.

ICAAP incorporates all the Company and Bank Pool’s procedures and calculations used to ensure:

- The proper identification and assessment of the risks;
- The maintenance of adequate capital in line with the bank’s risk profile;
- The use and further development of risk management systems.

This means that in all circumstances (stress scenarios), the capital requirements of the Company and all its constituent parts are met with an adequate degree of certainty.

In the ICAAP, the Company’s capital adequacy is assessed from an economic perspective and from a normative perspective. In the economic perspective, an internal definition of available or internal capital and required or economic capital is used. Here, all material risk factors are modelled so that total economic capital provides an accurate picture of the capital requirement. More information on ICAAP can also be found in section 8.9. “Discussion of the consolidated financial statements” – Note 4. “Risk management” in the integrated annual reports.

A direct link exists between the ICAAP calculations and a number of RAF indicators with their associated limits and flashing lights. Under the 99.9% scenario, the focus is on the ratio of available internal capital to required economic capital. For this a minimum limit of 120% is set and the green zone starts from 130%. However, the voluntary goal is a ratio of 156% (this includes an additional 20% buffer), so that the Company has a comfortable capital situation at all times.

Under the 95% value stability scenario, the focus is on the ratio of the economic loss under a 95% scenario to available internal capital. Here, a limit of 30% is set and the green zone starts from less than 25%.

The 80% income stability scenario focuses on the ratio of income loss under an 80% scenario to the expected NIBT (net income before tax) under the base scenario. The limit is 100% and the green zone starts from less than 50%.

In the normative perspective, the impact of a number of internally defined company-wide stress scenarios on the statutory (Pillar 1) capital ratios is calculated. The objective of the normative ICAAP is to investigate capital adequacy under basic and stress scenarios over a 3-year horizon, and while always meeting minimum capital ratios as set by the ECB, taking into account changes in the regulatory framework (e.g. Basel IV). The projected capital ratios are tested using the internal limits from the RAF.

In addition to the internal stress tests, the Argenta Group, like all other significant banks under direct ECB supervision, is subjected to the EBA/ECB stress test every two years. The next ECB stress test exercise is scheduled for 2027. The purpose of the stress test is on the one hand to evaluate the shock resistance of the European banking system and, on the one hand, to assess the financial health, risk profile and sustainability of the business model in the event of negative market developments.

In the years between these stress tests, the European banking sector is subjected to thematic stress tests, such as the climate risk stress test in 2022 and the cyber resilience stress test in 2024. A stress test focusing on geopolitical risks is scheduled for 2026.



The results of the stress tests are one of the factors on the basis of which Argenta's minimum capital requirement and capital guidance are determined, expressed in terms of a Pillar 2 (P2) Requirement and a P2 Guidance.

The probability and impact of the stress tests in relation to the risk appetite is intended to lead to a weighing up of accepted risks and to risk-mitigation measures or the decision to hold more capital. The financial impact resulting from stress tests is defined as the direct negative impact on the core capital.

The calculations according to the Basel rules (Pillar 1) for capital management are reported to the supervisory authority and used in-house.

The Supervisory Review and Evaluation Process (SREP, annual global evaluation) is the control process carried out by the regulator covering the evaluation of the capital and liquidity adequacy of the bank, the robustness of its business model and the adequacy of its risk governance framework. The result of the SREP is communicated to the Argenta Group on an annual basis. It consists – in addition to the minimum capital requirements and capital recommendations – of the regulator's assessment of the 4 SREP components on the basis of which Argenta Spaarbank and the Argenta Group (at BVg level CRR scope) are evaluated. Where appropriate, actions and recommendations are prescribed in order to solve shortcomings.

The P2R (Pillar 2 capital requirement) for CET1 will be 1.75% from 1 January 2026. In terms of the leverage ratio requirement, the regulator decided not to impose a P2R. Also, with regard to liquidity, the SREP decided not to impose additional liquidity buffers.

## Liquidity management

### Exposure

Liquidity risk is the risk of an adverse change in the financial situation due to insufficient availability of liquid assets to meet financial obligations.

The Company primarily raises funding on an open-ended, short-term and medium-term basis and reinvests it in loans and investments that are predominantly longer term.

### Liquidity sources of the Bank Pool

The Argenta Group's financing model and liquidity profile are based on:

- A solid base of customer deposits;
- Being widely present across the Belgian and Dutch markets;
- Diversification towards wholesale funding such as RMBS, covered bonds, senior bonds (including green bonds) and certificates of deposits;
- A liquid securities portfolio.

Funding policy is directed first and foremost at obtaining funding from retail customers in Belgium and the Netherlands through current, savings and term deposit accounts, and since 2025 also through structured notes. Customer deposits account for the largest share of Argenta Spaarbank's primary sources of funding.

The subsidiary Argenta Spaarbank also funds itself from the interbank and professional market in order to diversify its sources of funding, meet legal requirements and support the S&P rating (EMTN programme offering Tier 2, Senior Non Preferred (SNP) and Senior Preferred (SP) instruments). Since 2021, Argenta Spaarbank has also been able to issue Belgian covered bonds (CB) following approval by the regulator. As part of its liquidity management, Aspa periodically enters into repo agreements. The retained covered bond and the certificate of deposit programme, both launched in 2024, offer additional quick liquidity options.

Deposits from retail customers are both a source of liquidity and a source of liquidity risk. Amounts held in current and savings accounts can be withdrawn on demand or at short notice, but make a significant contribution to the stability of the long-term funding base. The stability depends on customers' confidence in the Company's solvency, profitability and risk management.



### Risk Management in the Bank Pool

Argenta Spaarbank has an internal risk-based assessment of both current and future funding and liquidity requirements to ensure that sufficient liquidity and funding resources are available to cover the risks arising from the business strategy. This policy framework is set out in the Liquidity & Funding Risk standard, which has been approved as an addendum to the Argenta Group's Integrated Risk Management policy. The standard describes the key elements of the internal liquidity adequacy assessment process (ILAAP), how they relate to one another, and how the ILAAP is integrated into Aspa's operations. It also explains how the findings are put into practice.

The Alco monitors the liquidity indicators on a systematic basis. The ALM department measures, monitors and reports on liquidity risk as the first line of defence. The risk is assessed in terms of market liquidity (the liquidation value of assets) and refinancing (the stability of funding). The Risk department has second-line responsibility. The ALM & Treasury department is responsible for managing the liquidity position.

Aspa uses a customised management information system, together with a contingency plan, to measure, monitor, check and report liquidity risk. The system supports sound liquidity management, both under normal and exceptional circumstances. In addition to the extensive regulatory reporting, there is also internal reporting. This ensures that management and other stakeholders are kept constantly informed of developments. Every day, Aspa distributes financial reports to a wide range of people within the Company.

The daily liquidity management, the definition of additional early warning indicators (EWIs), operational limits and flashing lights, and the organisation of stress tests are part of the Liquidity & Funding Risk standard. The risk appetite in the Bank Pool's RAF is managed by limits on the following risk indicators:

- The LCR (Liquidity Coverage Ratio): compares the high-quality liquidity buffer with a projected outflow (under stress) of funds raised over a 30-day period;
- The NSFR (Net Stable Funding Ratio): compares available liquidity with required liquidity over at least one year;
- The AER (Asset Encumbrance Ratio) strict and broad: compares unencumbered assets with the volume of protected deposits;
- Loans/balance ratio: monitors the illiquid portion of the assets within set limits;
- Wholesale funding ratio: tracks the ratio of institutional funding and refinancing risk to total assets, within set limits.

In addition to these RAF indicators, early warning indicators (EWIs), operational limits and flashing lights have also been defined internally.

With respect to the regulatory ratios, the Company applies a minimum of 105% (borderline orange – red zone) for the Liquidity Coverage Ratio (LCR) within the RAF, with a (voluntary) target of 200% (green zone from 125%). For the NSFR (Net Stable Funding Ratio) the minimum is 105% (borderline orange – red zone), with a target of a ratio of 132% (green zone from 120%).

The flashing-light and recovery plan threshold for the AER depend on the category the Company is in. This category is determined on the basis of the ratio of eligible deposits (as defined in Article 389 of the Banking Act) to total assets. In 2025, Aspa was in category 2.

The table below sets out the AER ratios and legal limits on an Aspa standalone basis:

	Legal limits	31/12/2024	31/12/2025
Strict AER (RAF limit)	95%	110.0%	108.6%
Broad AER (RAF limit)	110%	115.1%	113.2%

The LCR and the underlying components can be found in table **LIQ1** (appended to this report).

The immediately available liquidity sources consist of high-quality assets. These consist mainly of a diversified portfolio of central bank reserves, government bonds, securitisations and corporate bonds. In addition to the liquid assets eligible for the LCR, Aspa also has a portfolio of ECB-eligible securities and other marketable securities.

All liabilities and assets are denominated in euros, meaning that there is no currency mismatch between liquidity sources and funding sources.

Aspa holds a derivatives portfolio to hedge against interest rate risk. The portfolio's value is secured by collateral. Assets serving as collateral are excluded from the liquidity coverage ratio (LCR) liquid buffer. The LCR also takes into account potential collateral outflows as a result of value fluctuations in the portfolio and downgrading of Aspa's rating. Changes in the value of the collateral are closely monitored.

## 18. Remuneration policy, diversity and integrity

This section provides disclosures on remuneration policy (both substantive elements and the decision-making process for arriving at this policy). Most of these disclosures are also included in the Company's integrated annual report which is published on the [www.argenta.be](http://www.argenta.be) website.

Argenta has 3 charters that describe the basic principles and values that Argenta sees as central to its activities: the Suitability of Key Officers Charter including Diversity, the Integrity Charter and the Sustainability Charter. By their nature, these charters apply across the Argenta Group.



### Remuneration Committee and Appointments Committee

Argenta has an active Remuneration Committee and Appointments Committee:

- The Remuneration Committee provides the Boards of Directors with advice on remuneration policy. This includes the fees of the members of the Board of Directors and the salaries of those staff whose professional activities can have a material impact on Argenta (the "identified staff") and the remuneration policy within all other Argenta companies (including AAM and Arvestar). The Remuneration Committee annually assesses the remuneration of executive and non-executive directors, with due regard for the established remuneration policy and for legal and regulatory provisions. The Committee also assesses whether the remuneration could create a conflict of interests between directors and the institution.
- The Appointments Committee is tasked with advising the Boards of Directors of the Argenta Group companies on the decisions relating to the composition, structure and operation of the Board of Directors and Executive Committee. The Appointments Committee examines the performance of the Boards of Directors and Executive Committees, as well as the performance of the individual members. The committee also prepares the succession plans in the two bodies. Finally, the Appointments Committee sets the target figures in the area of diversity.

Both committees are set up within the Board of Directors of Argenta Bank- en Verzekeringsgroep. They function at the Argenta Group level based on a waiver granted by the supervisory authority. No separate remuneration or appointments committees have been set up within the Boards of Directors of either Argenta Spaarbank or Argenta Assuranties.

The Remuneration Committee is composed of the following members:

- Baudouin Thomas (chair)
- Franciska Decuyper
- Bart Van Rompuy

In 2025, the Remuneration Committee met 6 times.

The Appointments Committee is composed of the following members:

- Raf Vanderstichele (chair)
- Marc van Heel
- Bart Van Rompuy

The Appointments Committee met 12 times in 2025.

## Remuneration policy of the Argenta Group

The Argenta Board of Directors lays down a remuneration policy for all employees<sup>2</sup> of the whole Group and monitors its implementation in collaboration with the Remuneration Committee and the independent control functions. This policy takes account of the complexity and structures of the Group to determine, develop and implement a consistent policy for the whole Group that is in accordance with the Group's risk management strategies. The policy is applied to all relevant persons at Group level and at the level of Argenta AM and Argenta Nederland. This policy does not apply to the branch managers or their employees.

Argenta guarantees:

- The overall consistency of the Group's remuneration policy, by ensuring that it satisfies the statutory requirements of companies forming part of the Group and by ensuring the proper application thereof;
- That the remuneration policy is consistent with the business strategy, objectives, values, and long-term interests of the institution, and also includes measures for the avoidance of conflicts of interest;
- The direct supervision by the Remuneration Committee of the remuneration of senior managerial employees who perform risk management and compliance functions;
- The involvement of the independent control functions:
  - the risk management function ensures that the remuneration policy is in accordance with thorough and effective risk management and promotes sound risk management;
  - the compliance function analyses the consequences of the remuneration policy for the compliance of the institution with legislation and regulations, internal policy and the risk culture, and reports all compliance risks and non-compliance issues identified to the competent management body; the compliance function formulates an annual opinion via the Risk Committee;
  - the internal audit function carries out independent testing of the structure and the implementation of the institution's remuneration policy and its consequences for its risk profile, and assesses how these consequences are managed;
- Mutual contact and exchange of information among the competent functions at Group level with AAM and Argenta Nederland; and
- A gender-neutral remuneration policy.

The Argenta Group strives to remunerate its employees in line with market conditions. The salaries of employees, administrative staff, management and members of the Executive Committee of Argenta therefore consist solely of a fixed amount. No variable remuneration, shares, stock options, entry bonus or deferred compensation are granted.

The remuneration policy determines which remuneration package applies to which jobs, taking into account the degree of difficulty, responsibility, level of required training or experience and necessary specialisation of a particular job. Argenta expressly pursues a gender-neutral remuneration policy. The employee's function is the sole factor which determines what the pay category is, and the pay category determines the remuneration package of the employee concerned.

The main aspects of this policy are:

- The compensation benchmarks: benchmarks established by the Board of Directors for all function types at Argenta;
- An Argenta "function house", with a company-specific "remuneration house" linked to it (with sector-defined minimum pay scales and benchmark-driven Argenta market indicators);
- A company-wide system for pay increases, taking into account the fulfilment of the function and the individual compa-ratio range of the employee compared to the Argenta Market Indicator for the remuneration category to which his/her function belongs (compa-ratio: the percentage ratio of the gross monthly salary compared to the relevant Argenta Market Indicator); and
- A cafeteria plan as a means of offering flexibility in the salary package.

The Executive Committee, the Remuneration Committee of the Board of Directors and subsequently the Board of Directors itself approved the limits of the remuneration policy in 2016.

<sup>2</sup> Only the remuneration of the members of the Board of Directors is determined by the General Meeting, please refer to the Remuneration Committee's charter. Here too, the Board of Directors remains responsible for the proposals submitted to the shareholders' meeting, as well as for the effective implementation and oversight of any changes in remuneration policies and practices.

An in-depth exercise was conducted for this area in 2022. Two collective agreements were concluded for the entire package of updates:

- Collective agreement on the update to the remuneration policy (02/12/2022);
- Collective agreement on teleworking (02/12/2022).

In addition to the standard remuneration (monthly salary), all Argenta staff members receive double holiday pay, 13th month pay, hospitalisation insurance, group insurance, disability insurance and meal vouchers. The hospitalisation insurance can be extended to the entire family. For certain functions, company cars or business expense allowances may be granted.

The “Argenta remuneration policy for non-directors” of 27/06/2023 describes the principles applied by Argenta to achieve sustainable and correct remuneration for the (non-director) employees of Argenta’s companies in Belgium.

The Argenta Group’s total wage bill is disclosed in the integrated annual reports.

### Identified staff

The remuneration policy must provide for appropriate incentives in order to encourage prudent behaviour in those employees whose professional activities have a material impact on an institution’s risk profile.

The Executive Committee defines which employees qualify as identified staff on the basis of quantitative and qualitative criteria – on the basis of the Delegated Regulation (EU) 2021/923 of 25/03/2021 (bank regulations) and the Regulation 2015/35 of 10 October 2014 Art. 275C (insurance regulations). This proposal will be submitted to the Remuneration Committee for an opinion.

The Remuneration Committee will submit the proposal with its opinion to the Board of Directors for ratification. The persons concerned will be informed that they qualify as identified staff and the regulator will also be informed.

The Board of Directors has ultimate responsibility for the process of appointing employees and the policy for doing so. The competent management body in its supervisory function:

- Approves the appointment policy as part of the remuneration policy;
- Is involved in the draft of the self-assessment;
- Guarantees that the assessment for the appointment of employees was properly carried out in accordance with Directive 2013/36/EU, Delegated Regulation (EU) no. 2021/923 of 25/03/2021 and the EBA Guidelines EBA/GL/2021/04;
- Continuously supervises the appointment process;
- Approves material exemptions from or changes to the established policy and carefully studies and monitors the effect of them;
- Approves exclusions of employees in accordance with Article 4(2) of the Delegated Regulation (EU) 2021/923 of 25/03/2021 if the institutions are of the opinion that these employees do not satisfy the qualitative criteria set in the Delegated Regulation (EU) 2021/923 of 25/03/2021 because they do not have a material impact on the institution’s risk profile, and oversees this matter;
- Regularly tests the established policy and changes it as necessary.

The Board of Directors is assisted in this by the Remuneration Committee. The Risk Committee is also involved, without prejudice to the tasks of the Remuneration Committee or the independent control functions.

55 persons were designated as identified staff at the Argenta Group (BVg CRR scope, excluding the subsidiary Aras) in 2025.

The total Argenta salary bill for identified staff amounted to EUR 11,146,099 in 2025. The attached template **REM5** provides a breakdown of the remuneration of these identified staff by business area.

In 2025, severance pay was awarded to 4 employees belonging to the identified staff. Please refer to template **REM2** for further information.



### Note on remuneration policy for Executive Committee members

The remuneration of the members of the Executive Committee is explained in section 5.2.5. “Remuneration of senior management” of the Company’s BVg integrated annual report.

The executive directors receive a fixed annual remuneration which does not include any elements that could lead to a conflict of interests with Argenta’s longer-term objectives.

The fixed annual remuneration complies with the requirements laid down by Annex 2 of the Banking Act on remuneration policy. Argenta applies the principle of equal fixed remuneration for all members of the Executive Committee, with the exception of the chair. Argenta may depart from this principle in exceptional cases on the basis of objective, transparent criteria documented by the Remuneration Committee.

The remuneration is reviewed every 2 years on the basis of an external benchmark. The Remuneration Committee determines the scope, peer selection and methodology of the benchmark and may adjust these in line with strategy and developments. These potential increases are not automatic and must be proportionate to the Argenta Group’s sustainable profitability, and also justified by the individual performance of the executive directors.

In addition to the fixed annual remuneration, executive directors also benefit from 3 group policies: a defined contribution pension scheme, disability insurance and hospitalisation insurance.

The remuneration of directors below excludes remuneration for work for the subsidiary Aras. The remuneration of the entire Group can be found in BVg’s integrated annual report.

In 2025, the total direct remuneration of the executive directors of the Argenta Group (Argenta Bank- en Verzekeringsgroep and Argenta Spaarbank<sup>3</sup>) amounted to EUR 2,669,781.85 (compared to EUR 2,202,372.05 in 2024).

There are no employees at the Argenta Group, including in the Executive Committee, who receive more than one million euros. Template REM4 consequently does not apply to Argenta.

Contributions to the group supplementary pension and disability policies for the executive directors (excluding any portion for Aras) amounted to EUR 525,176.07.

The severance pay of executive directors is in line with the recent update to Section 12(1) of Annex II of the Banking Act, which came into force from 23 July 2022, and with the variable remuneration exemptions contained in the Banking Act since June 2023. It consists of a non-competition payment and a payment by analogy with severance pay for administrative staff. The total of these payments may not exceed twelve months of gross pay of the executive director concerned.

The selection procedure for members of the Executive Committee is set out in section 5.2. “The Board of Directors and committees” in the integrated annual reports.

### Diversity at the Argenta Group

Diversity and equal opportunities are essential for a healthy business environment. As a bank-insurer, Argenta strives to be a reflection of society so that all customers and staff feel at home.

This is why Argenta gives every employee equal opportunities and the focus is on talent, regardless of gender, age, disability, belief, philosophy, marital status, birth, wealth, political opinion, trade union membership, language, health status, sexual orientation, physical or genetic characteristics, social, cultural or ethnic origin.

In its diversity policy, Argenta sets Group-wide targets for the representation of the under-represented gender and it outlines a plan to achieve this target at the level of the Boards of Directors and senior management (Executive Committee and direct reports to Executive Committee members), with the exception of independent control functions. The internal Group-wide target is at least 33%.

<sup>3</sup> Remuneration relating to the subsidiary Argenta Assuranties is not included in this Pillar 3 report.

Promotion of diversity in the Board of Directors of Aspa is embedded in Section 31 of the Banking Act. The Banking Act makes it mandatory for diversity to be one of the criteria used to compose the statutory governing body, and for a diversity policy to be developed as part of the suitability policy, including a quantitative target for representation of the under-represented gender in the statutory governing body.

In addition, Section 7:86 of the Belgian Companies and Associations Code (WVV) specifies that in organisations of public interest as referred to in Section 1:12(2) of the Belgian Companies and Associations Code (WVV), at least one third of the members of the board of directors must be of a different gender to the other members. The required minimum is rounded to the nearest whole number.

Argenta reports its diversity figures at consolidated level and per entity. Current composition can be found in section 5.3. “Diversity” in the integrated annual reports.

### Directors’ external mandates

Each director is encouraged to organise their personal and professional activities in such a way as to avoid conflicts of interest with the Argenta Group (in line with Article 7:96 of the Belgian Companies and Associations Code (WVV)).

The Boards of Directors of the Argenta Group companies have established a policy in their internal rules of procedure, including organisational and administrative arrangements (including keeping information on the application of the same). It also contains procedures for identifying and preventing conflicts of interest or, where this is not reasonably possible, managing the conflicts of interest without harming the interests of customers.

Section 5. “Governance” of the Company’s integrated annual report contains a detailed account of the directors and the external mandates they held during the past year.



### Integrity at the Argenta Group

As a bank insurer, Argenta strives to be a reflection of society so that all customers and employees feel at home with Argenta.

This is why Argenta gives every employee equal opportunities and the focus is on talent, regardless of gender, age, disability, belief, philosophy, marital status, birth, wealth, political opinion, trade union membership, language, health status, sexual orientation, physical or genetic characteristics, social, cultural or ethnic origin. This is set out in more detail in the Suitability of Key Officers Charter and the Anti-Discrimination compliance policy. This also means that Argenta pursues a gender-neutral policy in areas such as remuneration, recruitment, career development and succession, access to training and opportunities to apply for internal vacancies.

The ethical framework is set out in the Integrity Charter.

In addition to value-conscious and ethically responsible conduct by Argenta, it is also important that employees safeguard their personal integrity. Given their role as role models, it is essential that managers impose strict rules of conduct upon themselves, set a good example (“*tone at the top*”) and actively promote the importance of acting with integrity throughout the organisation.

Transparency is essential to promoting integrity. Argenta therefore has an open organisational culture in which employees feel free and safe to point to practices that violate integrity or to express appreciation of good examples. Everyone is expected to give feedback to others and to be open to receiving it. Moreover, anyone who encounters a breach of business ethics is expected to report it, regardless of whether the breach is incurred by the employee himself, a customer, another employee or an external party.

Integrity implies loyalty to the generally accepted standards in the banking and insurance sector.

Argenta should set up an appropriate organisation and procedures to ensure that its staff members have integrity. The compliance function plays an important role in creating and enforcing the integrity policy. This integrity policy is described in the Integrity Charter.

The compliance officer of the Argenta Group, who is also the Compliance Director, is responsible for a coordinating and initiative-taking role with regard to the implementation of the integrity policy and reports to Argenta's Executive Committee.

The internal codes of conduct cover topics such as corruption, information security, commercial gestures, accepting or giving gifts, undue self-interest in transactions between staff and Argenta, and all kinds of other unethical or illegal conduct in the context of activities inside or outside Argenta.

Argenta organises compulsory training courses for its employees on the various aspects of the Integrity policy.

## 19. Sustainability

### 19.1. Sustainability at the Argenta Group

Argenta aims to make a contribution to the larger whole, dealing with the world in which we find ourselves in a meaningful, sustainable and worthwhile way. To achieve this, we commit to the three pillars or ESG dimensions of sustainability: environment (E), society (S) and good governance and responsible entrepreneurship (G for governance).

Caring lies at the heart of the organisation at Argenta. Caring that binds together and offers individuality. By consciously embedding it, Argenta is focusing on satisfied customers, happy employees and healthy long-term business results. Taking responsibility is an integral part of what Argenta stands for, what it does and how it does it, and is thus inextricably linked to ethics and integrity. It's as easy as that.

Argenta's sustainability strategy is built around 3 pillars:

- Banking and insurance should not cost the earth;
- Simple and close by;
- Ethics and integrity as our guide.

As a financial institution, we can make a difference through the cash flows we manage for our customers. Argenta has chosen to use these funds responsibly and to generate a positive impact for society. Every euro is valuable. Whether the issue is our investments or the choice of our partners and suppliers, we are conscious of the impact we can make. In addition, we also have to be in sound financial health for the long term as a company, and we commit to good causes together with our employees.

The Sustainability Charter develops these pillars further.

The policy is established in the Executive Committee and ratified by the Board of Directors. The Executive Committee has appointed the CEO as Chief Sustainability Officer (CSO). His mission is to give sustainability a prominent place at all levels of Argenta. The CSO is supported in the Marketing & Sustainability department by a sustainability manager, who shares responsibility for implementing the policy and the sustainability plan across the different departments.

Because sustainability is a topic that concerns every department, a centralised, company-wide approach was chosen as offering the best guarantee of success.

Section 6. "Sustainability Statement" of the Company's integrated annual report contains a detailed explanation of the Argenta Group's ESG policy.

### 19.2. Disclosure of ESG risks

Template **ESG1** shows an overview of the credit quality of the exposures to non-financial corporates by sector, with an indication of emissions and residual maturity.

Argenta wants to contribute to the Paris Climate Agreement target of limiting global warming to 1.5°C by 2050. We measure our efforts against transition paths that we set for our mortgage lending and investment activities in 2024 based on assumptions. We set reduction targets and take measures to systematically reduce emissions from our business activities (Scope 3 or financed emissions), while paying careful attention to the social impact the transition entails for our customers.

Our climate efforts cannot be seen separately from the broad context of sustainability. For Argenta, the “E” of environmental is inherently bound up with the “S” of social and the “G” of governance. This means that we pay heed to the need for a transition towards a climate-neutral economy and for the social consequences that go along with this. Think of topics such as social inclusion, affordability and accessibility. Simply supporting our customers is an important key in this story.

The approach for determining the transition pathways for the mortgage portfolios in Belgium and the Netherlands is based on the CRREM (Carbon Risk Real Estate Monitor) methodology. The CRREM modelling takes account of the SBTi (Science Based Targets initiative) and provides insights relating to the emissions of buildings. Argenta uses the 1.5°C emission routes because they are in line with the Paris climate targets. This methodology allows us to set a target trajectory that we will use as a benchmark to monitor our efforts in the coming years. Together with the teams responsible for the Belgian and Dutch lending activities, we examined various scenarios to identify what efforts need to be made to support the reduction targets.

The financed emissions from our investment activities are calculated according to the guidelines of the Partnership for Carbon Accounting Financials (PCAF).

The main source for emissions data is Moody's ESG Solutions, our data provider, which collects emissions data separately for Scopes 1, 2 and 3 from our counterparties based on reported information from financial statements and sustainability reports. If emissions data is not available through our data provider, we enrich the dataset by searching through annual reports and sustainability reports. As a last resort, when specific emissions data is not available, we use PCAF emission factors based on sector and region as a proxy.

The financed emissions are then calculated using the absolute emissions in relation to the “attribution factor”, which consists of Argenta's exposure in relation to the enterprise value per counterparty.

The Sustainability Action Plan sets forth our concrete steps towards making a targeted impact. The 2024-2027 Sustainability Action Plan was validated by the Board of Directors in 2024.

We also have high ambitions for the asset management activities: we apply strict exclusion criteria to limit the negative impact of our investments, and we aim for a positive impact. Argenta therefore does not invest in companies operating in the extraction of fossil fuels.

All Argenta funds are subject to Articles 8 or 9, see the Sustainable Finance Disclosure Regulation (SFDR). Since 2023, the Argenta funds' carbon footprints have been measured and reported via PAI (Principal Adverse Impact) reports.

Achieving the goals of the Paris Climate Agreement and reducing Argenta's financed emissions depends very much on the policy and market context in which we find ourselves. Governments' policy choices will be crucial in the coming years. Changes in policy can have a decisive impact on the achievement of our long-term goals. Argenta has no control over or impact on the general policy and market context.

### Energy-efficiency collateral

Template **ESG2** gives an indication of the energy-efficiency of the collateral for mortgages. The energy efficiency is expressed both in EPC ratings and as EP scores (specifically, consumption in kWh/m<sup>2</sup>).

For the Dutch portfolio, both the energy rating and the estimated consumption are provided by our external data provider, Calcasa. For the Belgian mortgage portfolio, we use internally captured data. If no EPC data or insufficient property information is available, an estimate is prepared in accordance with the PCAF guidelines. The method used and the associated data quality score are explained in section 6 of the integrated annual report.

### Top 20 most-polluting companies

Template ESG4 is not appended to the report, in view of the fact that the Argenta Group has no exposures to the top 20 of the most-polluting (carbon-intensive) companies. The analysis is based on the Carbon Majors Database. The most recent release of this database was in January 2026, with data for 2024.

### Transition risk

The risk appetite framework (RAF) has been further expanded in respect of transition climate risk metrics: for the retail mortgage portfolios by the average EPC (energy performance certificate) for new inflows and portfolio, and for the non-retail portfolio by the low carbon transition score and the ESG score.

### Physical risk

The risk appetite framework (RAF) was further supplemented at the end of 2023 (NL) – start of 2024 (BE) with physical climate risk metrics: with average percentages of acute and chronic flood risk for the retail mortgage portfolios.

Template **ESG5** gives an overview of the exposures which are subject to physical risks as a result of climate change.

For loans secured by residential and commercial immovable property, the geographic areas in question are Belgium and the Netherlands. In both countries, flood risk is considered to be the most significant acute climate-related hazard (flooding of waterways and rivers) and chronic climate-related hazard (flooding due to a rise in the sea level and changing precipitation patterns).

The flood analyses for the mortgage portfolios in Belgium and the Netherlands were performed by external parties on the basis of flood risk maps from the competent authorities in each country. Please note that the threshold values for identifying the exposures that are sensitive to flooding vary due to inherent differences in the methodologies behind the local flood maps.

The acute flood risk in Belgium is assessed by an external party (Rock.estate) on the basis of maps which have been drawn up by the regional authorities (Flemish Region: Vlaams Milieumaatschappij (VMM); Walloon Region: Service Public de Wallonie (SPW; Wallonia Public Service); Brussels Hoofdstedelijk Gewest (Brussels-Capital Region): Leefmilieu Brussel/Bruxelles Environnement (Brussels Environment). Properties that are regarded as sensitive to acute flood risk are positioned in insurance companies' exclusion zones or in areas with a probability of flood of 1 to 10 years in the present climate.

For the chronic flood risk in Belgium, the properties were plotted on the coastal flood map for 2050 of the Vlaamse Milieumaatschappij (VMM; Flanders Environment Agency). Properties that are marked as sensitive to chronic flood risk are located in areas with 1-year to 10-year flood events according to the climate projection for 2050. The chronic flood risk in Brussels and Wallonia cannot be assessed for lack of available data.

The flood analysis for the mortgage portfolio in the Netherlands is being carried out externally, by Calcasa. The maps used to assess acute and chronic flood risk in the Netherlands come from LIWO (Landelijk Informatiesysteem Water en Overstromingen – National Water and Flood Information System). Properties with an acute flood risk are in areas with a probability of flood of 1 to 30 years, while areas with a chronic flood risk are those with an expected probability of flood of 1 to 30 years in 2050.

For the non-retail investment portfolio, which mainly consists of debt securities, the acute and chronic climate-related physical risks were identified and assessed by means of physical climate risk data from our data provider MSCI. This relates to more than 67% of our non-financial companies portfolio. The assessment took into account 11 climate-related hazards: extreme cold, extreme heat, extreme precipitation, extreme snowfall, extreme wind (storms), coastal flooding, river flooding, surface water flooding, low river levels, tropical cyclones (hurricanes) and wildfires. The exposure to chronic climate-related risks is calculated on the basis of extreme cold, extreme heat, extreme precipitation and extreme wind (storms). The exposure to acute climate-related risk is calculated on the basis of coastal and river flooding, surface water flooding, low river levels, tropical cyclones (hurricanes) and wildfires.



The data on physical climate risk from MSCI is based on a detailed analysis in which the exposure to each risk was evaluated, irrespective of the nature of the activities and the physical location of a company's facilities.

Based on a risk category for each company, the companies with a significant risk are identified first. The percentage of exposure to chronic/acute climate-related risks for these companies is then determined, based on the maximum percentage of the different risks in relation to chronic or acute climate-related risks. The exposure is calculated on the basis of the different geographic locations of a company's facilities. At present, the reported geographic areas are based solely on the country of a company's headquarters.

### Alignment metrics

For investment activities in the banking pool, Argenta set reduction targets in 2025 for three carbon-intensive sectors in which Argenta has limited positions and for which physical intensity metrics are available. It specifically covers the following sectors: cement production, motor vehicle production and electricity production. The reduction targets are aligned with the NZE 2050 scenario.

## 20. Supplementary disclosure

Disclosures on the governance arrangements are incorporated in the filed annual financial statements and integrated annual reports, which have also been published on the [www.argenta.be](http://www.argenta.be) website.



The Company did not qualify as Global Systemically Important Institution (G-SII) and therefore does not have to provide disclosures on this.

The above (not externally audited) disclosures are given in the context of Basel Pillar 3 and are published in Dutch and English on the Company website [www.argenta.be](http://www.argenta.be) with the intention of meeting the disclosure requirements of Part 8 of the CRR.

The Dutch version of this report is the original text; the English version is a translation. In the event of any discrepancies, the Dutch version will take precedence. Questions related to the distribution of these reports should be directed to:

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