



Argenta Bank- en Verzekeringsgroep NV

Activities and Sustainability Report

2019

argenta.be



ARGENTA

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This combined activities and sustainability report covers Argenta Bank- en Verzekeringsgroep nv and its subsidiaries Argenta Spaarbank nv, Argenta Assuranties nv, Argenta Asset Management nv and Arvestar Asset Management nv, also the branches of Argenta Spaarbank and Argenta Assuranties in the Netherlands. Together they form the *Argenta Group* or *Argenta*.



The sustainability report is integrated into the activities and sustainability report. Sustainability-related content is marked in green.

Further information about the statutory annual reports of the Argenta companies is available on [argenta.be](https://www.argenta.be).





01

Intro



ARGENTA

1.1 Foreword by the Chairman of the Board of Directors

2019 was an exciting year for Argenta, a year of which we, employees, branch managers and customers can be proud together. 2019 was also a year in which exciting external circumstances sharpened the regular challenges. Those who have known me, the new Argenta chairman, a little longer know that I am somewhat used to challenges. I have been seeking them in the mountains for years.

Climbing up to the top of a beautiful, but challenging mountain requires confidence in your own abilities, but also in that of your partners, who are literally attached to the



Marc van Heel
Chairman of the Board of
Directors

same rope. Only by solving problems together and joining forces can we ultimately be stronger and also able to look back on a great adventure in good health.

The same sense of being roped together is also found in the collaboration between the Argenta CEO and Chairman, in the interaction between the Executive Committee, and the Board of Directors and in the community-creating collaboration between all Argenta employees. This all made 2019 a very successful year for Argenta with good results in various areas.

For example, we are seeing a clear impact of the commercial strategy whereby branch managers seek to create and maintain personal, long-term and close-up relationships with customers, focused on providing simple, good solutions at the key moments in their lives, under the motto 'It can be that simple'. This approach enabled us to welcome a record number of new customers in 2019.

The Argenta app, which responds to what the customer really needs for simple, quick banking, has been downloaded more than 500,000 times and is highly appreciated.

More and more customers are subscribing to Argenta's investment products and the Argenta investment funds all achieved good results in 2019. Argenta's pension savings fund even achieved the highest annual return – 20.5% – of all Belgian pension savings funds.

Construction work on the renovated Argenta head office in the centre of Antwerp is progressing steadily. Everything is on schedule to bring all teams back together in one, easily accessible location, close to public transport,

by mid-2020. For the new head office, we are committed to 'green' and the lowest possible CO₂ footprint.

Sustainability as one of Argenta's core values is increasingly recognized and appreciated in society. From our earliest days we have always been pragmatic, close, simple and 'Argenta green'. Argenta consciously chooses to act sustainability as part of its DNA and sees this rewarded by its customers. In 2019, this image also received outside confirmation, with Fairfin praising our sustainability policy and Argenta rising to an attractive third place in the Bankwijzer rankings. At the same time, our twelve sustainable investment solutions (eleven named Argenta and 1 DPAM fund) for which we applied were all awarded the 'Towards Sustainability' label.

Internally, Argenta made a major effort in 2019 to radically rethink existing processes with a greater focus on simplicity, flexibility and speed. At the same time, Argenta remains strongly committed to cost control by resolutely opting for simplicity in all areas.

In 2019, Argenta was confronted with a number of mainly external challenges as it moved forward.

A first challenge was the extremely low interest rate, with the ECB lowering the official interest rate to -0.5% in the course of 2019. For a traditional savings bank such as Argenta, which pays statutory interest of 0.11% on regulated savings accounts on top of bank levies and fees to independent branch managers, this is a major headwind.

Some paths also proved to be more difficult to walk: for example, the interest rate evolution

made the margins on home loans thinner. Given the long maturities of home loans, Argenta has chosen to be careful and not get involved in an unhealthy and unprofitable competition with other banks.

A second important challenge were the attacks on ATMs with explosives. Although the loot was worthless (the reinforced safes and ink cartridges did their job), the risk of damage to people and the environment became unacceptable. This led, after extensive risk analysis, to the temporary closure of all ATMs. Argenta made every effort to ensure the availability of cash for customers and in 2019 signed a partnership agreement with a number of banks to jointly manage their ATMs.

Despite these external challenges, Argenta once again achieved good results: with a return on equity of 6.5% and our excellent capital and liquidity buffers, Argenta remains financially healthy even after more than 60 years.

Together we are preparing for the years ahead. The knowledge of being inter-connected and acting in concert is essential. We are strong because we are linked to the same rope, which is woven from Argenta's core values. These core values - the legacy of Karel Van Rompuy - are well anchored and offer certainty. The more agile and dynamic Argenta that we are building together will enable us – despite the obstacles we will undoubtedly encounter – to find the right way up the mountain together and to offer our customers the best service at the right price.

Marc van Heel

Chairman of the Board of Directors

1.2 Events after the balance sheet date

While this annual report was being written, the world was struck by a pandemic - COVID-19 - which also affects Belgium and Belgian business companies.

Coronavirus

In early 2020, China's Hubei province was hit by coronavirus (COVID-19), a highly aggressive virus that leads to potentially fatal pneumonia. With strict measures taken by the Chinese government, this virus appeared to have remained isolated within China and a small number of Asian countries. It was only in the last week of February that the reality of further dissemination became clearer when Europe was hit, primarily by an eruption in Northern Italy. The worldwide dissemination of the virus was by then a fact.

Since the last week of February, the coronavirus has caused hitherto unseen and acute uncertainty with a wide range of potential consequences. The contamination, both as a virus and as a bringer of chaos, has spread in economies and markets around the world.

Since the beginning of March, stringent measures have also been taken in Europe to curb the spread of the virus. These mainly consist of 'social abstinence', in its extreme form of a complete 'lock-down', in which only vital economic activity continues to function.

The financial markets in Europe have been particularly volatile since the last week of February, with stock market falls of 30-40% worldwide and a steady decline in interest rates. On 3 March, the US Federal

Reserve dropped its benchmark interest rate by 50 basis points. After that, interest rates worldwide continued to slide with expectations that the ECB would follow suit on 12 March with a cut. The fact that this did not happen sparked European market interest rates to rise to levels that are higher today than in the first months of 2020.

Impact on Argenta Bank en Verzekeringen

On 18 March the Belgian government emphasized that the financial sector is necessary to protect the country's vital interests and the needs of the population. Argenta had already taken the necessary measures to guarantee its continued activity and to protect its clients and employees.

Argenta branch offices remain accessible by phone and continue to work by appointment. Daily banking can continue to be conducted through online banking and the Argenta app. Cash is available at the ATMs. Thanks to the existing technology, all Argenta head office employees can work from home, ensuring services for our customers and the continuity of our company.

From Argenta, we continue to monitor the situation in every area through daily internal consultation and consultation with government bodies, regulators, sectoral federations and others. Every possible step will be taken to limit this pandemic and the possible economic consequences.

At the date of preparation of this annual report, the immediately measurable financial

impact of this crisis is limited. Liquidity and solvency have been affected to a limited extent and remain very strong. The current market interest rates are currently almost neutral for Argenta's balance sheet and result compared to the financial position as at 31 December 2019.

The negative stock market evolution (equity markets) does have a direct impact on the market valuation of the equity portfolio of Argenta Assurantis, but does not yet lead to the booking of potential losses compared to the original purchase values. The stock market evolution could have an indirect effect for the bank and the insurer in terms of the size of the management fees received on funds subscribed by customers. The potential impact of this is currently estimated at approximately 5% of group profit before tax. The above-mentioned securities will fluctuate with the evolution of share prices to which we are directly and indirectly exposed.

There is also currently no directly measurable impact on the credit risk to which Argenta is exposed. The impact on the projected credit risk in the future will depend on the ultimate economic impact in Belgium and the Netherlands and the associated repayment capacity of our customers. Given that the elements to support an additional credit provision for future losses in accordance with the IFRS 9 accounting standard were not available on 31 December 2019, and are still not today, Argenta has not recognized additional provisions at year-end in accordance with IFRS 9. With the further economic and social developments, we will take these new elements into account

when determining expected credit losses. Today, based on the currently known factors, their impact is not considered to be directly material.

On Sunday 22 March 2020, the Belgian federal government and Febelfin concluded an agreement for additional support measures for non-financial companies, self-employed persons, and for mortgage borrowers with payment problems as a result of the coronavirus crisis. The most important element of this for Argenta is the deferral of payment until 30 September 2020 without charging costs. The practical implementation of this agreement has yet to be completed. These measures do not concern the home loans that Argenta has outstanding in the Netherlands.

Argenta will continue to closely monitor the financial impact of the coronavirus crisis and will, in due course, take the necessary operational measures and also take these into account in determining Argenta's financial position.





02

Argenta in 2019



ARGENTA

2. Argenta in 2019

2.1 Services



In app messaging: chat function for customer service

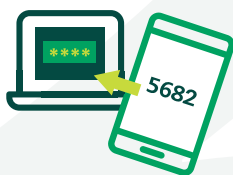
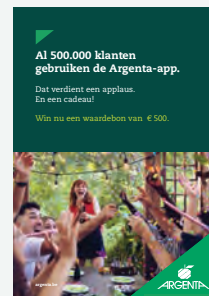
Via the Argenta app, customers can converse with employees of the Argenta customer service, just as they are accustomed to doing with WhatsApp. Argenta deliberately decided against an automated chatbot, opting instead for a personal approach.

Temporary closure of ATMs

Following a continuing wave of increasingly aggressive explosive attacks, Argenta decided to shut down its ATMs temporarily. The safety of customers, branch managers, employees, local residents and passers-by is paramount. From late November onwards, the machines were gradually reactivated, after an internal risk analysis.

500,000 customers using the Argenta app

More than 500,000 customers manage their banking affairs quickly, safely and easily via the Argenta app. Every day, Argenta is working on an even better app that offers the customer what is really needed for simple, quick banking.



Additional measures against phishing: two-step verification

Argenta recorded a substantial decrease in the number of phishing transactions among its customers in 2019.

To limit phishing even more, the customer will now be sent an SMS code if Argenta thinks a particular transaction is suspicious. In this way the customer can confirm the transaction and prevent abuse even better.

ATM as a service, setting up of Jofico

In order to offer a high-quality and affordable service from ATMs, Argenta teams with AXA Bank, bpost, Crelan and vdk bank to create Jofico. This joint venture will manage all ATMs of these different institutions.



Joint Financial Company

Transfer of the Dutch life insurance portfolio to Waard Leven

Waard Leven takes over Argenta's Dutch life insurance portfolio. For customers, policies and policy conditions remain unchanged. The collaboration with Waard fits with Argenta Netherlands' strategy of focusing on housing and private asset management.

2.2 External recognition



Bankshopper award

Bankshopper readers choose the Argenta savings and current account as the best. Argenta comes in second place in the "Bank of the Year" poll.

S&P confirms A-/ A-2 rating

Standard & Poor's confirms Argenta Spaarbank's long-term A- and short-term A-2 rating thanks to Aspa's good general creditworthiness, excellent capital ratios and good profitability, despite strong competition and the low-interest rate environment.

Test Aankoop/Test Achats satisfaction survey, first place

Argenta achieves 83% - first place - in a survey of customer satisfaction at banks by Test Aankoop/Test Achats.



Nominatie HR Trends Awards

Veronique Michiels, Director of Organization & Talent, is nominated for the 2019 HR Awards, acknowledging how she, her team and the Healthy Growth steering group are transforming personnel policy



Spaargids bank award (2nd place)

Argenta takes second place in the General Satisfaction category and in the Branch Network category.

EBA Transparency Exercise

Argenta scores highly in all areas in the European Banking Authority's transparency exercise. For this, data is collected from 131 European banks on their capital position, risk position and asset quality.

Towards Sustainability labels

Twelve solutions in Argenta's investment range (eleven with the Argenta name and one DPAM fund) now bear Febelfin's 'Towards Sustainability' label. The Febelfin label is a Belgian quality standard awarded by an independent body that assures the customer that an investment product is sustainable.



Argenta pension savings funds

The Argenta pension savings funds passed the EUR 2 billion assets under management milestone for the first time. Argenta's pension savings fund achieved the highest annual return of the Belgian pension savings funds at 20.5%.

2.3 Governance

April 1 2019



Appointment of Stéphanie Dangreau as sustainability manager

Stéphanie Dangreau takes up the position of sustainability manager, with the specific task of integrating sustainability and sustainable entrepreneurship into every aspect of Argenta's daily operations.

April 26 2019

Appointment of Anne Leclercq as director

Anne Leclercq comes on board as a director on the Argenta Boards of Directors and as a member of the Remuneration Committee and the Audit Committee.



April 26 2019

Change of Chairman: Jan Cerfontaine – Marc van Heel

After a successful ten-year mandate, Jan Cerfontaine hands over the chairmanship to Marc van Heel. Since November 2017, Marc van Heel has been a non-executive director of the Argenta Boards of Directors and a member of the Risk Committee. He has over 30 years' experience in executive and board positions in international financial service providers, (including PIMCO, GSAM, BlackRock and JP Morgan) and has been working as a consultant for De Nederlandsche Bank since 2016.

November 19 2019

Appointment of Marie-Anne Haegeman as director

Marie-Anne Haegeman is appointed as a director on the Argenta Boards of Directors. 6 out of 14 directors are now women (43%).



2.4 Argenta Head Office



Head office in scaffolding

On the occasion of the Open Site Day, contractor Van Roey, Investar and Argenta open the construction site for the new Argenta head office building in Antwerp to the general public. Easily accessible by public transport, this building will house to all head office employees from summer 2020 onwards.



Younited Belgium

Argenta, together with a number of Antwerp homeless people, participates in Younited Belgium (formerly the Belgian Homeless Cup), a socio-sporting football competition between companies to benefit people who are struggling with homelessness.



Non-financial risk management

In 2019, Argenta made structural progress in the field of non-financial risk management by rolling out a renewed policy to increase risk awareness. Important steps were taken towards a global risk register, with improvements in risk management, including data security & cyber security, sourcing and compliance.



Collaboration with the branches

Argenta opens “My Thought for Branches”: a platform for suggestions, opinions and comments from branch managers and employees, following the example of “My Thought for Customers”. This gives a good image of what the branch network expects and considers important.

Cooperation with the branches is being thoroughly overhauled in other areas too. For example, in May 2019 Argenta set up the Operational Consultative Body, in which a delegation of branch managers works monthly with commercial and operational management employees on operational improvements.



Warm Argenta

Right through the year Argenta employees organize numerous promotions for the Warmest Week. On 20.12.2019, a delegation proudly presented Studio Brussels with a EUR 37,500 cheque for 5 charities: Uilenspel vzw, Think-out-of-the-box, CuPerheroes, Zee na Es, Homeless Free Clinic. Argenta employees are actively involved in each of these charities. In addition, Warm Argenta donated 5,000 euros to the Antwerp homeless football team to support their activities.



Issuance on capital markets

In 2019, Argenta launched an initial EUR 500 million, 5-year issue for institutional investors under a new EUR 3 billion EMTN programme.

Argenta will continue to investigate alternative financing via the financial markets in 2020.





03

Key figures and financial results 2019



ARGENTA

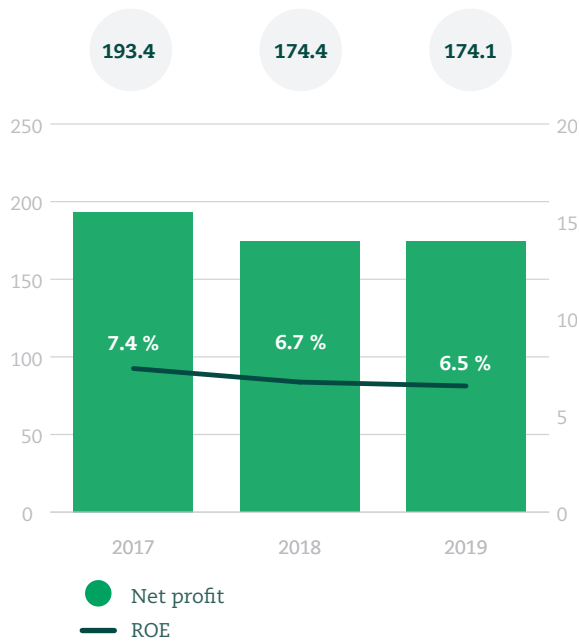
3. Key figures and financial results 2019



3.1 Financial results

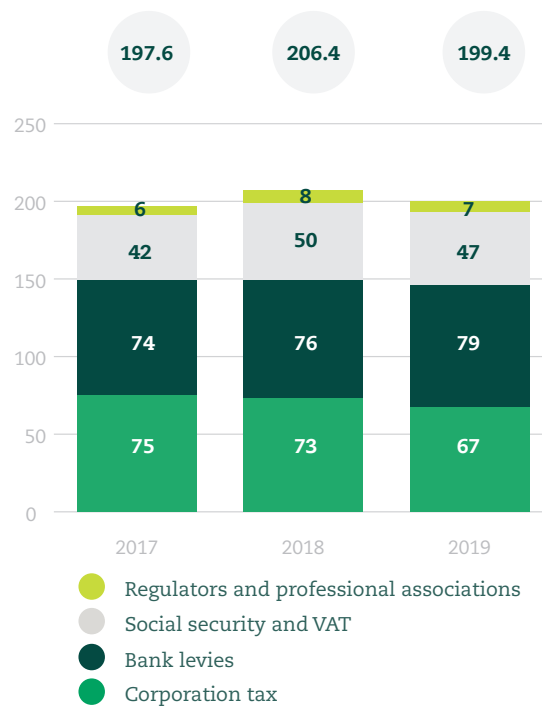
NET PROFIT AND RETURN ON EQUITY

(in EUR millions and %)



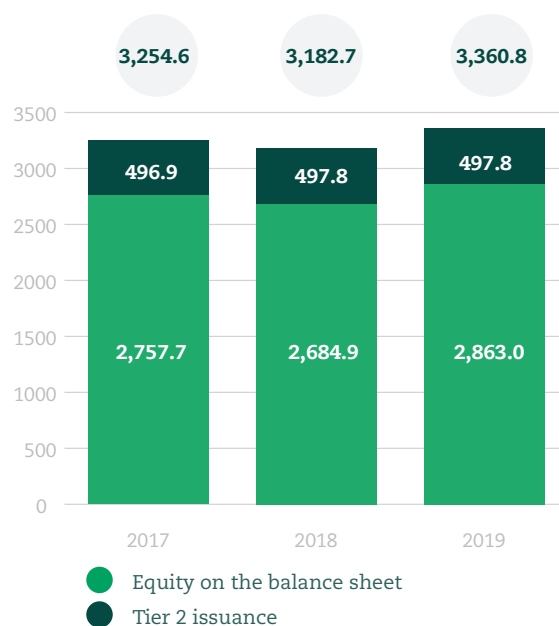
TAXES AND CONTRIBUTIONS TO GOVERNMENT, REGULATORS AND PROFESSIONAL ASSOCIATIONS

(in EUR millions)



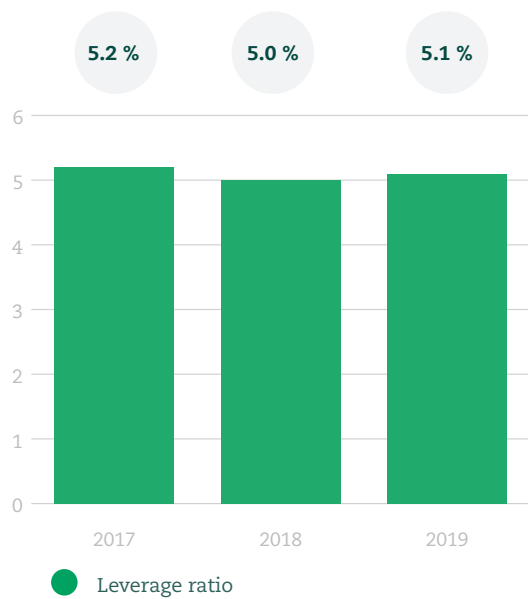
EQUITY

(in EUR millions)



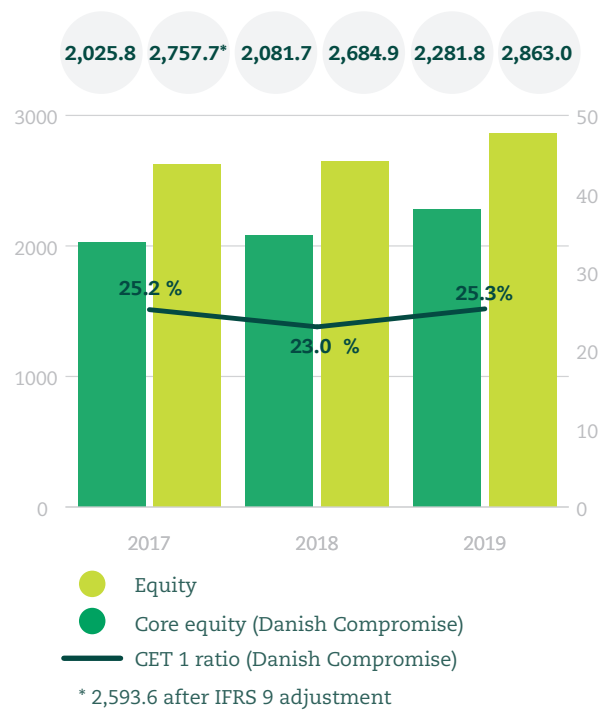
LEVERAGE RATIO

(in %)



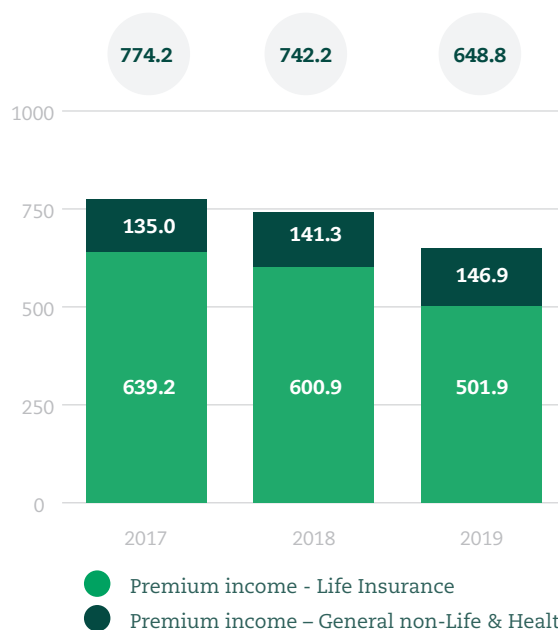
EQUITY, CORE EQUITY AND COMMON EQUITY TIER 1 RATIO

(in EUR millions and %)



INSURANCE PREMIUM INCOME

(in EUR millions)



3.1.1 Consolidated balance sheet statement (in EUR)

Assets	31.12.2018	31.12.2019
Cash, cash balances at central banks and other demand deposits	1,155,122,720	2,640,476,141
Financial assets held for trading	10,028,698	2,342,550
Financial assets related to unit-link insurance contracts (branch 23)	2,026,395,538	2,385,325,837
Non-trading financial assets mandatorily at fair value through profit or loss	112,398,366	135,684,092
Financial assets at fair value through other comprehensive income	5,293,082,549	4,899,569,531
Financial assets at amortized cost	36,565,696,280	38,526,529,137
Derivatives used for hedge accounting	73,711,127	4,135,142
Fair value changes of the hedged items in a portfolio hedge of interest rate risk	193,568,240	571,941,790
Investments in subsidiaries, joint ventures and associates	2,494,000	2,584,000
Tangible assets	15,548,636	27,144,407
Property, plant and equipment	14,454,426	25,994,997
Investment property	1,094,210	1,149,410
Goodwill and other intangible assets	164,125,809	159,396,846
Goodwill	98,150,460	98,150,460
Other intangible assets	65,975,349	61,246,386
Tax assets	20,805,597	22,580,628
Current tax assets	2,392,118	3,209,420
Deferred tax assets	18,413,479	19,371,208
Assets from insurance and reinsurance contracts	25,289,448	22,628,296
Other assets	198,945,967	226,772,979
Non-current assets classified as held for sale	0	367,784,197
Total assets	45,857,212,974	49,994,895,573

Liabilities and equity	31.12.2018	31.12.2019
Financial liabilities held for trading	4,073,472	1,216,696
Financial liabilities related to unit-linked insurance contracts (branch 23)	2,026,322,984	2,385,325,837
Financial liabilities at amortised cost	37,660,873,657	40,266,470,279
Deposits for central banks	0	47,471,427
Deposits from credit institutions	159,930,533	95,513,992
Deposits from other than credit institutions	33,847,070,799	35,967,539,125
Debt securities issued, including retail saving certificates	2,463,167,692	3,168,041,068
Subordinated liabilities	575,394,236	532,656,609
Other financial liabilities	615,310,397	455,248,057
Derivatives used for hedge accounting	350,669,050	684,439,863
Fair value changes of the hedged items in a portfolio hedge of interest rate risk	0	0
Provisions	6,067,641	3,969,730
Tax liabilities	20,482,256	31,400,678
Current tax liabilities	4,500,408	8,909,309
Deferred tax liabilities	15,981,848	22,491,369
Liabilities from insurance and reinsurance contracts	2,884,242,338	3,089,121,458
Other liabilities	219,535,766	299,590,792
Non-current assets classified as held for sale	0	370,338,313
Total liabilities	43,172,267,165	47,131,873,643
Equity attributable to owners of the parent	2,684,890,103	2,862,883,093
Equity attributable to minority interest	55,705	138,836
Total liabilities and equity	45,857,212,974	49,994,895,573

3.1.2 Consolidated statement of profit or loss (in EUR)

	31.12.2018	31.12.2019
Total operating income	641,252,194	660,991,442
Net interest income	623,099,112	630,920,927
Interest income	925,351,846	922,316,711
Interest expenses	-302,252,734	-291,395,785
Dividend income	4,128,753	4,925,477
Net fee and commission income	-12,066,541	-9,509,728
Fee and commission income	146,055,557	163,796,208
Fee and commission expenses	-158,122,098	-173,305,936
Gains or losses on derecognition of financial assets and liabilities not measured at fair value through profit or loss	7,777,901	8,300,394
Deferred tax liabilities	4,772,238	6,401,968
Financial assets at amortised cost	3,005,663	1,898,426
Gains or losses on financial assets and liabilities held for trading	-1,977,633	-4,829,371
Gains or losses on non-trading financial assets mandatorily at fair value through profit or loss	-6,953,379	11,480,666
Gains or losses from hedge accounting	1,190,649	-4,287,046
Gains and losses on derecognition of non-financial assets	189,783	-103,301
Net income from insurance contracts	-470,118	6,955,106
Net other operating income	26,333,667	17,138,319
Other operating income	31,085,583	21,701,011
Other operating expenses	-4,751,916	-4,562,692
Administrative expenses	-383,931,570	-395,110,900
Staff expenses	-82,658,157	-87,284,948
Other administrative expenses	-301,273,413	-307,825,952

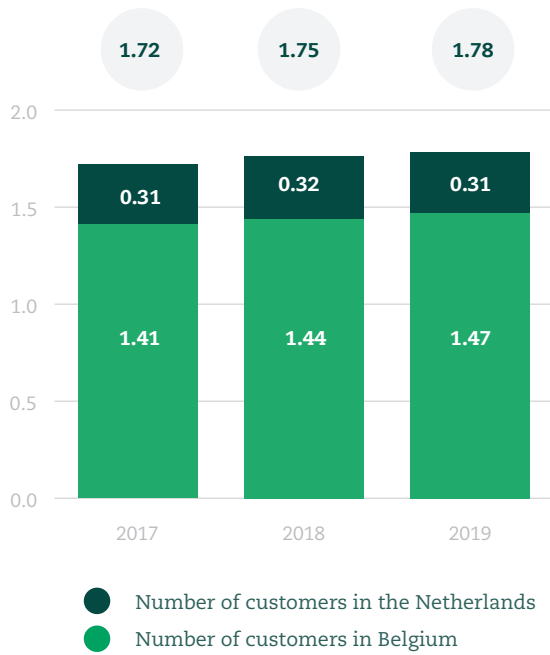
	31.12.2018	31.12.2019
Depreciation	-24,478,010	-32,784,318
Property, plant and equipment	-4,416,799	-8,374,715
Investment properties	-19,031	-17,401
Other intangible assets	-20,042,180	-24,392,201
Provisions or reversal of provisions	-2,800,470	3,993,350
Impairments or reversal of impairments	2,973,504	-2,943,321
Financial assets at amortised cost	3,032,613	-2,448,141
Financial assets at fair value through other comprehensive income	-59,109	-495,180
Goodwill	0	0
Profit or loss before tax	233,015,648	234,146,253
Tax expense	-58,589,579	-60,073,256
Profit or loss after tax	174,426,070	174,072,996
Profit or loss attributable to owners of the parent	174,419,943	173,989,604
Profit or loss attributable to minority interests	6,127	83,392

3.2 Non-financial results

Customers

NUMBER OF CUSTOMERS

(in millions)

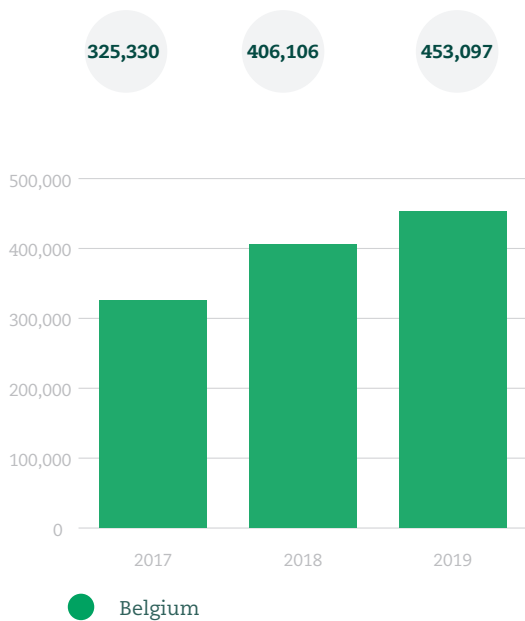


CUSTOMER SATISFACTION

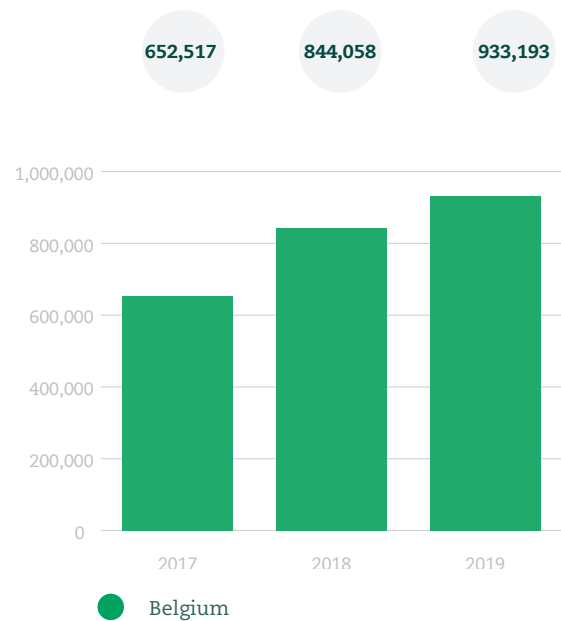
(out of 10)



NUMBER OF MOBILE APP USERS

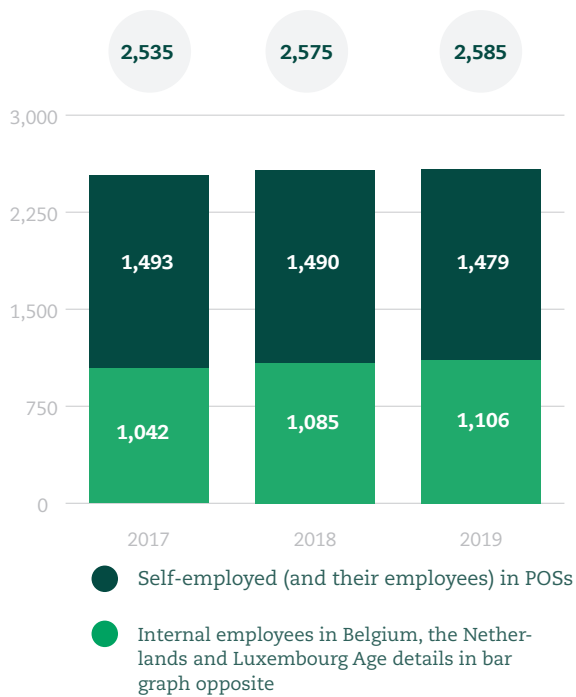


NUMBER OF INTERNET BANKING USERS

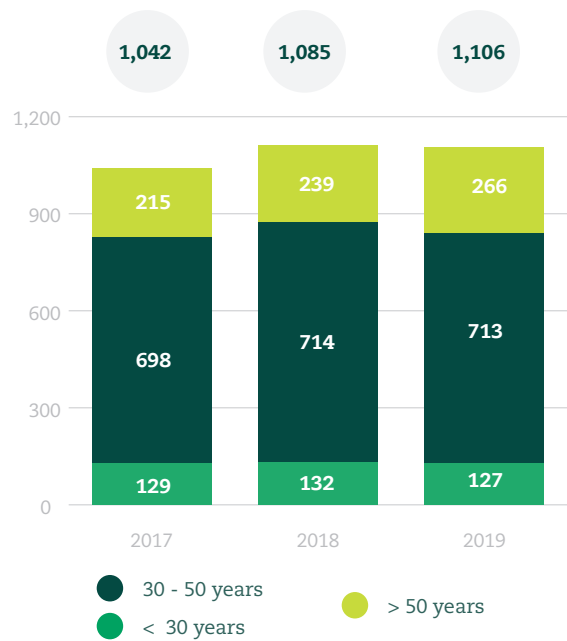


Employees

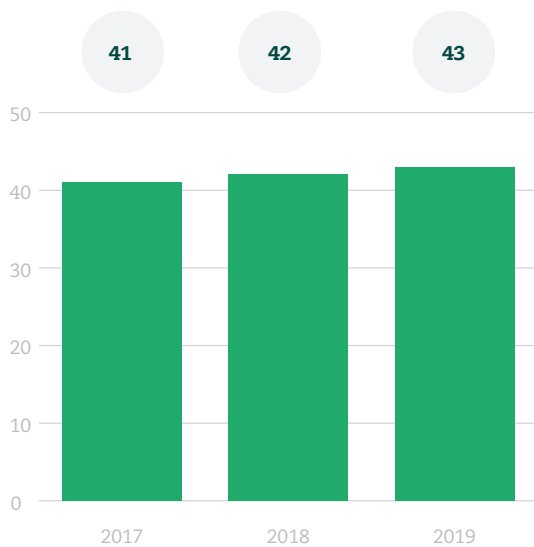
NUMBER OF EMPLOYEES



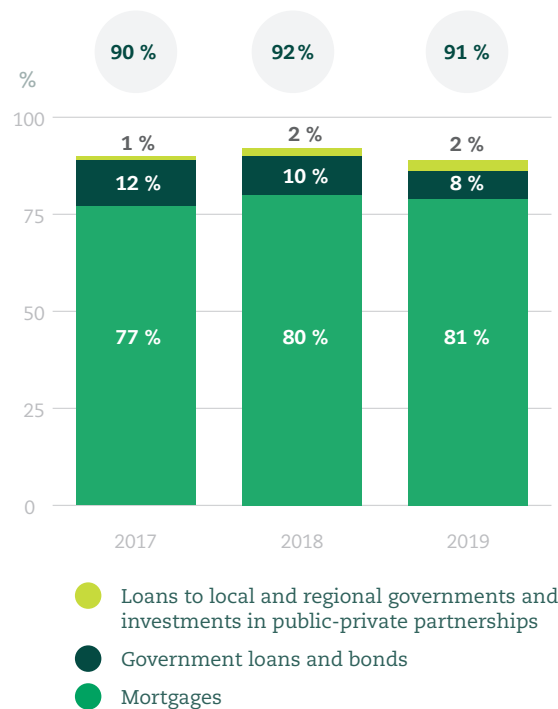
AGE OF INTERNAL EMPLOYEES IN BELGIUM, THE NETHERLANDS AND LUXEMBOURG



AVERAGE TRAINING HOURS PER EMPLOYEE



IMPACT ON THE ECONOMY THROUGH REINVESTMENT OF FUNDS RAISED FROM CUSTOMERS







04

Argenta group structure and overview of activities



ARGENTA

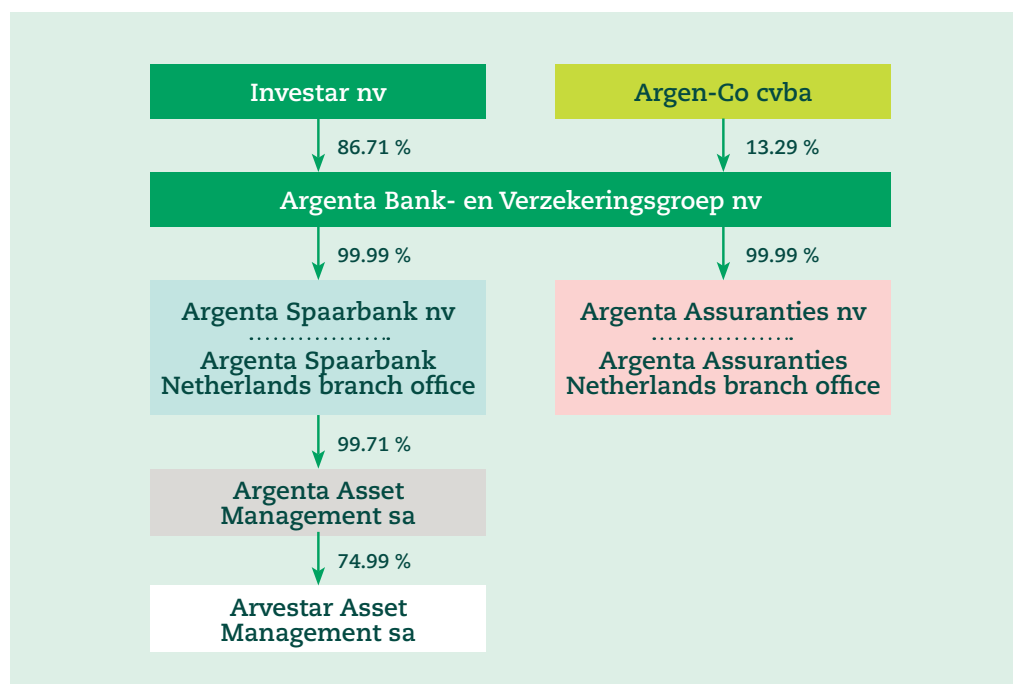


4. Argenta group structure and overview of activities

4.1 Shareholders Investar and Argen-Co

The shares of Argenta Bank- en Verzekeringsgroep are held 86.71 % by Investeringsmaatschappij Argenta

nv (hereinafter Investar), a mixed financial holding company, and 13.29 % by Argenta Coöperatieve cvba (hereinafter Argen-Co).



4.2 Argenta Bank- en Verzekeringsgroep

Argenta Bank- en Verzekeringsgroep is the management holding company of the Argenta Group. Its operations consist of Internal Audit, Legal Affairs, Organisation & Talent, Compliance, Risk & Validation, Non-financial Risk Management & Supervisory Office, and Procurement & Facilities. These activities are organized centrally for all Argenta companies.

Internal Audit, Compliance and Risk (risk management function - which manages the externally outsourced actuarial function) are the legally prescribed independent control functions.

Argenta Bank- en Verzekeringsgroep consolidates and is responsible for the joint

management of its subsidiaries Argenta Spaarbank and Argenta Assuranties.

All shareholdings in Argenta are (quasi) 100 % shareholdings, so that no (other than purely formal) minority interests need to be reported. The only exception to this is the management company 'Arvestar', established in 2018, in which Argenta Asset Management holds a majority stake of 74.99%.

Belgium and the Netherlands are the geographical markets in which the Company is commercially active.

4.3 Argenta Spaarbank

Argenta Spaarbank is a Belgian credit institution. Together with its branch office in the Netherlands and its subsidiaries Argenta Asset Management and Arvestar Asset Management, it forms the Argenta Group's 'Bank Pool'. Argenta Spaarbank offers banking products tailored to individuals and families. It has four key activities:

Activities in Belgium

The four key activities are:

1. **Banking:** the provision of means of payment: current accounts, payment cards, credit cards and securities accounts;

2. **Savings:** attracting savings;
3. **Investing:** offering investment funds managed by Argenta Asset Management, Arvestar Asset management or by external fund managers;
4. **Lending:** the provision of home loans and instalment loans



81% of the funds raised from private individuals via savings and banking are reinvested with private individuals and families in the form of home loans. In addition, Argenta Spaarbank invests 10% in loans to international, national, regional and local governments. This includes financing local projects through direct investments in cities and municipalities, government companies and infrastructure (through public-private partnerships). Finally, Argenta Spaarbank invests in private residential care centre and other forms of healthcare real estate, as well as in liquid securities that are selected on the basis of sustainability criteria, see below 6.4.4.

In November 2019, a joint venture between Argenta Spaarbank, Axa Bank, Crelan, VDK bank and Bpost was set up under the name Jofico. Jofico manages all these institutions' ATMs.

This collaboration enables the participating partners to continue to offer a quality service to their customers, despite the decreasing need for cash.

Arvestar Asset Management ('Arvestar')

In 2019, Argenta and Degroof Petercam celebrated the 20th anniversary of their partnership. This partnership was further strengthened in 2018 with the creation of Arvestar Asset Management, a joint venture between Argenta Asset Management and Degroof Petercam Asset Management. Arvestar Asset Management manages the Argenta pension savings funds and the Argenta DP Allocation funds. Argenta Asset Management and Degroof Petercam Asset Management hold 74.99% and 25.01% of the shares respectively.

In December 2019, the Argenta pension savings funds passed the EUR 2 billion assets under management milestone for the first time. At 20.5% Argenta's pension savings fund achieved the highest annual return of the Belgian pension savings funds.

On 31 December 2019, 153,712 Argenta customers were accruing their supplementary pensions via the Argenta pension savings funds.

Activities in Luxembourg

Argenta Asset Management is a Luxembourg company responsible for the management and central administration of Argenta-Fund Sicav and Argenta Portfolio Sicav, Argenta's variable-capital Undertakings for Collective Investment in Transferable Securities (UCITS) under Luxembourg law.

Argenta Portfolio is a fund of funds (also known as an umbrella fund). This means that assets of various sub-funds are invested in other mutual funds with varying risk levels and investment horizons.

The objective is to provide investors with attractive returns by investing in a selection of securities matching the customer's personal risk profile.

Activities in the Netherlands

Argenta Spaarbank has had a branch in Breda since 2003. Its task is to provide housing loans and attract savings in the Dutch market.

The Netherlands is Argenta's second home



market and an important growth area. In the past year the branch again significantly upgraded its processes to increase customer satisfaction. Argenta in the Netherlands is an important driver in the digitizing of the

home loan acceptance process, for example by opening up government funding sources. As a regular player in the Dutch mortgage market, the branch wants to continue to play a significant role in financing private homes.

4.4 Argenta Assuranties

Activities in Belgium

Argenta Assuranties is a Belgian insurance company that seeks to protect the financial assets of individuals and families through non-life insurance and health insurance (family insurance, fire, car and hospitalization

insurance) and through life and death insurance, including outstanding debt balance insurance. Argenta Assuranties also offers insurance-based investment in the form of branch 23 products.



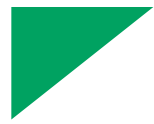
In addition to its insurance activity, Argenta Assuranties also contributes to stimulating the real economy by investing the received insurance premiums in home loans, liquid securities and shares selected on the basis of sustainability criteria.

Activities in the Netherlands

The Dutch insurance activities were discontinued in 2018. In November 2019, an agreement was entered into with Waard

Leven to take over the Dutch life insurance portfolio. For customers, the policies and policy conditions remain unchanged. The collaboration with Waard fits with Argenta Netherlands' strategy of focusing on housing and private asset management.





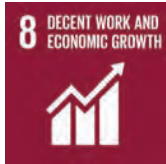
05

**Customer
experience:
the central focus**



ARGENTA

5. Customer experience: the central focus



5.1 Argenta as the trusted financial partner of families and individuals

Ever since its foundation in 1956, Argenta's products and services have reflected Argenta's values: close to customers, entrepreneurial, pragmatic and simple. Argenta continues to focus on banking and insurance bases on fundamental human values, straightforward, price-conscious and transparent.

Argenta is available to customers 24/7 via the app and internet banking. In addition, the 441 branches are available every day to offer their customers personal advice. Argenta's products are simple and accessible to everyone, linking in with the key moments in people's lives: birth, buying a home, accruing a pension ...

Argenta seeks for open dialogue with its customers. Through "My Thought", Argenta periodically requests input from its customers, and then uses this feedback to optimize its services and products.

That Argenta customers appreciate this is visible every year anew from the Net Promoter Score (NPS) and customer satisfaction survey metrics.

- In the former, Argenta customers are asked whether they would recommend Argenta to friends, family or colleagues. In Belgium this NPS is no less than + 44, enviably high for the Belgian banking sector.

ARGENTA VALUE PROPOSITION



straightforward



price-conscious



trust partner



sustainable

no confirmation, no transaction. In this way, fraud is avoided.

Evolution of the portfolio

Belgium

Current account deposits increased to EUR 5.3 billion. In Belgium individuals and families see current accounts as a safe (waiting) place pending interesting longer-term investment opportunities. Given the minimal interest rate difference, money often remains in a current account and the customer no longer transfers it to a savings account.

The total amount on regulated and unregulated savings accounts grew from EUR 24.3 billion at the end of 2018 to EUR 26.0

billion at the end of 2019. The E-Spaar account remains the most popular savings account with EUR 14.7 billion.

The balance on the savings accounts remains at a historical high despite the low interest rate of 0.11 %. The savings account remains popular due to its traditional advantages: immediate availability, security and tax exemption up to a legally determined ceiling (compared to 30 % withholding tax on income from other transferable investment products).

Netherlands

At the end of 2019, the total savings portfolio at Argenta Netherlands stood at EUR 2.25 billion. This is EUR 93 million lower than at the end of 2018. Owing to the very low savings



interest rate, many Dutch customers are using their savings for consumption or for repaying loans. Many customers are unwilling to

block their savings at the current low savings interest rate.

(Numbers in thousands)

Pillar	Free Banking Infrastructure	Belgium 2017	Belgium 2018	Belgium 2019	Netherlands 2017	Netherlands 2018	Netherlands 2019
Daily Banking							
	Number of current accounts	1,158	1,204	1,246	Not offered	Not offered	Not offered
	Number of savings and term accounts	1,274	1,264	1,291	149	139	136
	Number of debit and credit cards	1,591	1,617	1,534	Not offered	Not offered	Not offered
Investing							
	Number of securities accounts	156	137	146	Not offered	Not offered	Not offered

	2017	2018	2019
Household savings and insurance contracts (*)			
in EUR millions	36,506	37,840	39,645
as % of total equity	83 %	83 %	79 %
Loans and advances to customers, mainly families			
in EUR millions	28,140	30,139	32,169
as % of savings from families	77 %	80 %	81 %
as % of total Argenta assets	64 %	66 %	64 %
Loans to local and regional authorities and investments in public-private partnerships			
in EUR millions	539	766	850
as % of savings from families	1 %	2 %	2 %
as % of total Argenta assets	1 %	2 %	2 %
Reinvestment in government bonds:			
in EUR millions	4,541	3,817	3,013
as % of savings from families	12 %	10 %	8 %
as % of total Argenta assets	10 %	8 %	6 %

(*) This amount is the collected funds excluding banking fee products and branch 23 products. These monies are invested not by Argenta but by the fund.

5.2.2 Investing

Belgium

In 2019 the Argenta funds passed the EUR 5 billion mark for the first time. This increase is the result of a positive stock exchange year and the increasing confidence of Argenta customers. In today's low interest rate environment, Argenta customers want to retain their purchasing power and are increasingly opting for investment funds.

The Argenta pension savings funds - which celebrated their 20th anniversary in 2019 - and the investment funds based on them are also doing very well, passing the EUR 2 billion mark.



Argenta has a clear vision and strategy for investing in line with the Argenta values. The focus of "investing with Argenta" is primarily on a simple but complete offering whereby the client invests in one of the four core funds that aligns with his profile and needs. These core funds translate the clear long-term vision of Argenta Asset Management and focus on long-term themes within a sustainable framework. Customers can also add accents according to their preferences within different themes, sectors, regions or asset categories. In addition, the customer can choose 100% sustainable accent funds carrying the 'Towards Sustainability' label.

For almost all investment funds at Argenta, there is also a branch 23 counterpart under Argenta Life Plan for customers with insurance needs.

Expanding the product offering

In 2019, Argenta launched the Argenta Invest Plan. This is an investment plan for the four Argenta core funds, to which customers can subscribe on a frequent basis, in a minimum amount of EUR 25 a time. This functionality allows clients to invest in a diversified way in smaller amounts based on their preferences and needs.

Improving the customer experience

Financial institutions are legally required to draw up investor profiles of their customers and may only offer investment products that match these risk profiles. Argenta made changes to this risk profile in 2019. Due to the structural low interest rate environment and increased taxation, customers with a 'very careful' risk profile have had few opportunities in recent years to still achieve a return. In the past, they could invest only in products up to risk class 2, after the change products up to risk class 3 are possible. At the same time, Argenta is also adjusting the investment policy of its Argenta Portfolio Very Defensive core fund, resulting in the perspective of a positive return.

Evolution of the portfolio

The total portfolio of investment products grew from EUR 8.3 billion in 2018 to 9.2 billion in 2019. This increase is the result of increased net production and a positive impact of share prices. In today's low interest rate

environment, the investment funds remain an important alternative to savings accounts.

Argenta's numerous investments and efforts in the area of investing are considerably increasing our customers' confidence here. This is also reflected in the purchases made by our customers, with a significant increase in the share of Argenta funds in customer portfolios. In 2019, as in 2018 there was a shift from partner funds towards the Argenta Portfolio funds. Within the Argenta Portfolios range, Argenta Portfolio neutral, defensive and dynamic are very popular, the very defensive variant somewhat less.

5.2.3 Lending

Home loans

Belgium

Lending remains the core of the Argenta offering. In 2019, Argenta provided home loans to 21,540 families, compared with 14,880 families in 2018.

Netherlands

Argenta Netherlands is committed to home loans. Nothing changed here in 2019. In this way Argenta Netherlands was able to close 2019 with good results, after helping more than 9,000 families purchase of a new home or refinance an existing mortgage.

Improving the customer experience

Belgium

At the end of August 2019, Argenta launched its new tariff engine. This marks the start of a new modular tariff approach in Lending. This allows the branch manager to offer a personalized rate based on the customer's risk profile. This leads to more competitive pricing.

On top of this, in order to improve the quality and speed of the service, various robotization processes were completed in 2019.

Evolution of the portfolio

Belgium

In 2019, Argenta produced EUR 3.73 billion of home loans, including EUR 349 million of internal refinancing. This figure is up 47 % on 2018. In particular, the abolition of the 'housing bonus' by the Flemish government caused a rush on the real estate market, resulting in a huge increase in the number of credit applications in October and November 2019. As a sustainable and customer-oriented bank, Argenta guaranteed timely decision-making and processing to customers and branch managers who submitted their applications in a timely and correct manner.

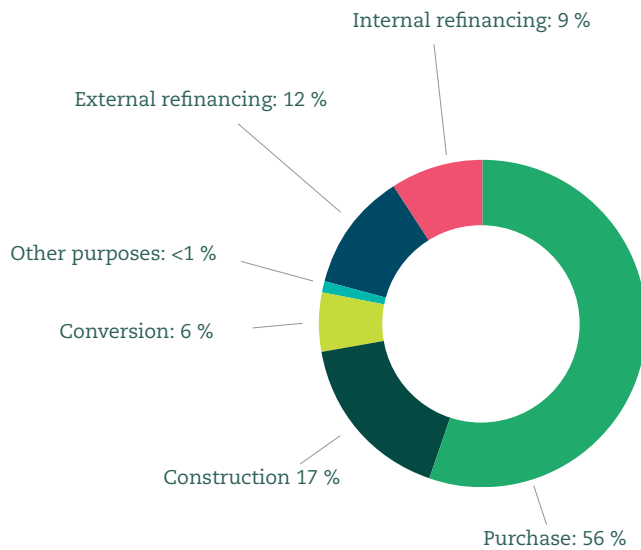


In 2019, Argenta introduced its 'tariff engine' for loans, with a discount for customers wanting to renovate sustainably or to purchase sustainable real estate. These discounts make sustainable renovation or the purchase of a sustainable property more accessible for every customer. 4 in 10 consumer loans for renovations are for ecological investments.

With consumer loans too, the emphasis in 2019 was on use for sustainable purposes. In this way the production of bicycle loans rose from EUR 1.3 million in 2018 to 2.6 million in 2019.



CREDIT PURPOSES



Purposes of mortgage loans in Belgium

In 2019, Argenta's market share in the production of home loans was 7.3%. In 2019, Argenta's home loan portfolio again grew faster than the market, with an increase of 12.2 % compared with a market growth of 6.9 %. In absolute figures, the home loans portfolio grew by EUR 1.49 million, to reach EUR 13.73 billion at the end of 2019.

Netherlands

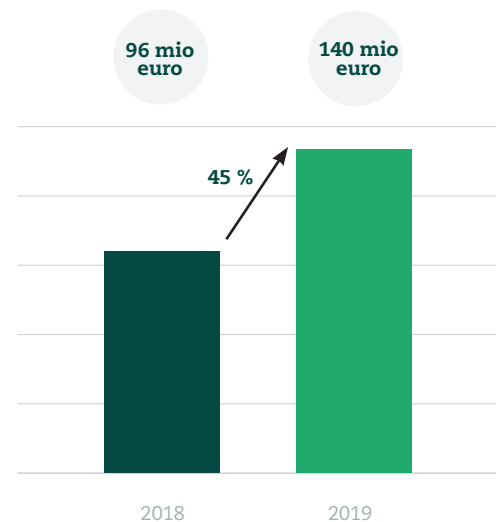
In the Netherlands, Argenta granted a total of EUR 2.2 billion of new mortgages. This is 10 % more than was planned. This is the result of various product improvements and expansion in the distribution network and brings the portfolio to EUR 17.8 million. In the Netherlands, Argenta's market share in 2019 was 2.5 %.

Consumer loans

Belgium

Argenta granted approximately EUR 140 million of consumer loans in 2019, an increase of 45 % compared with 2018. Of these consumer loans, 24% were for sustainable investments such as (electric) bicycles, ecological renovations and ecological vehicles.

CONSUMER LOAN PRODUCTION



Growth in consumer credit in 2019, compared to 2018.



5.2.4 Insurance

Expansion of the product offering

Belgium

In 2019, Argenta adjusted its range of insurance products. For example, by introducing a starter discount for its fire insurance. Young people under the age of 30 who take out initial fire insurance with Argenta receive an attractive discount for four years. In addition, the youth rate for car insurance was introduced. This is an extra discount for young people whose parents or partners are also Argenta customers.

On 1 January 2019, the management of Argenta hospitalization insurance was transferred to Vanbreda Risk & Benefits. Alongside Van Ameyde, which looks after

claims management in the fire, car and family insurance portfolio, Vanbreda Risk & Benefits strengthens Argenta with specialized knowledge in the management of hospitalization insurance.

Improving the customer experience

Belgium

In 2019, a number of digitization initiatives were implemented that contribute to a better customer experience.

Since 2019, customers have been able to complete and submit the medical questionnaire for death insurance completely digitally. In most cases, acceptance is fully automatic, which greatly shortens lead times. Currently, 60% of Argenta customers choose the digital medical acceptance circuit.



In addition, since the end of 2019, apartment tenants have been able to simulate and apply for a fire insurance policy fully digitally.

The processes for both subscription and benefit payments to minors were greatly simplified without sacrificing the specific treatment applicable to this target group.

As with home loans, insurance production was enormously impacted by the home bonus. Here too Argenta was able to fulfil its guarantee of timely handling of debt balance insurance policy applications.

Evolution of the portfolio

Belgium

The non-life and health insurance portfolio – consisting of family, fire, car and hospitalization insurance – grew by EUR 4.6 million in 2019 to EUR 146.9 million.

The growth is largely due to the continued strong production in fire insurance. Thanks to the combined offering of fire and family insurance through the 'Insured Housing +' policy, growth has also continued in the family policy. In this way, in 2019, 28,836 new fire

insurance contracts were concluded, bringing the Argenta portfolio to 193,561 policies, and enlarging the portfolio by EUR 4.4 million. For family insurance, growth of EUR 0.4 million 3% was recorded in 2019.

The car insurance portfolio did not grow in 2019. Although the number of cancellations remained stable, production fell by 0.9%. One focus points for 2020 is to offer a more segmented tariff structure based on the risks.

Despite the low interest rate climate in 2019, the number of branch 21 life insurance policies increased by 3.18%. Argenta has the highest guaranteed interest rate in branch 21 in the market and on top of that offers an attractive profit-sharing. Branch 23 was unable to follow this evolution and the number of policies rose by just 2.03%.

5.3 Branch network

5.3.1 Branches in figures

Belgium

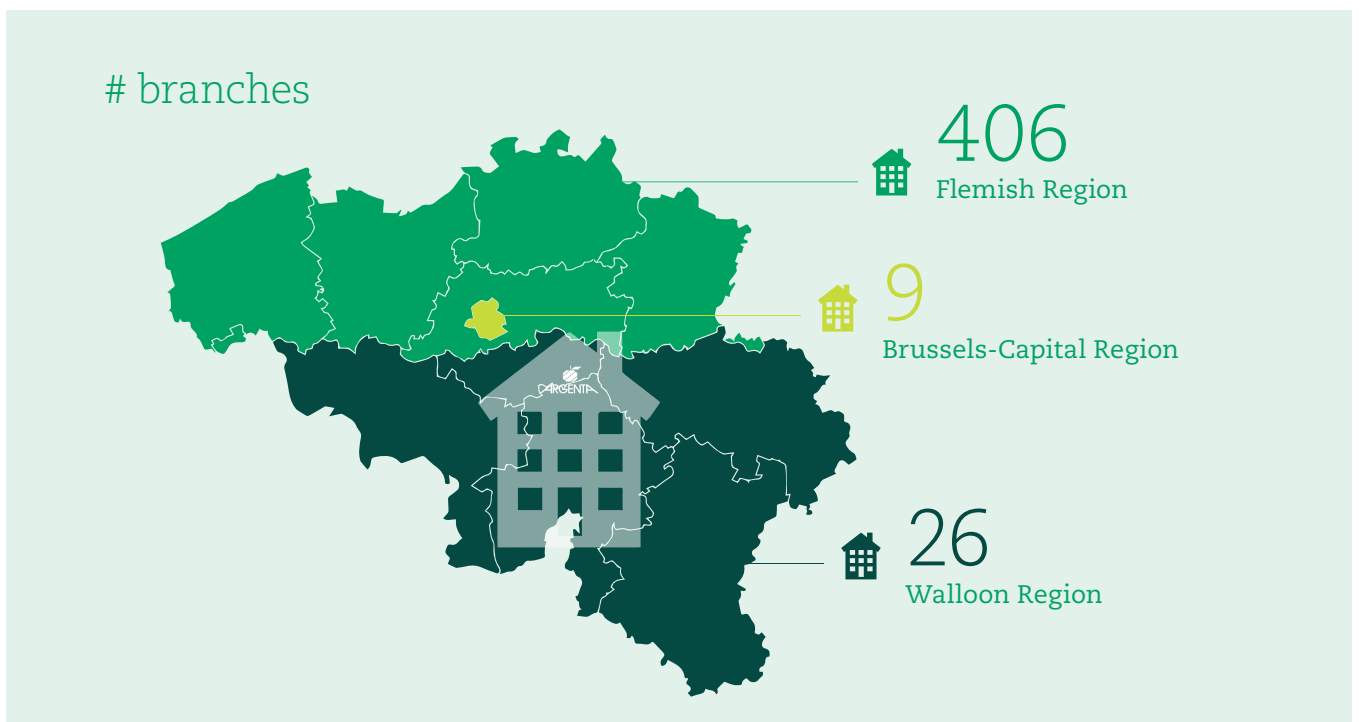
Argenta has an extensive branch network with 441 outlets in Belgium. This is slightly fewer than in 2018, following the merging of

a handful of relatively small branches with larger branches in the same region. In this way, these branches can offer the customer an even more specialized service. Argenta expects this evolution to continue in the years to come.



A locally anchored branch network is central to Argenta's value proposition. Argenta continues to place great store by proximity and human contact. Alongside the digital channel, the branch network remains crucial, in particular for providing personal advice to customers. In this way the Argenta customer always has a personal contact point.

At the end of 2019, Flanders had 406 Argenta branches. There were also 26 branches in Wallonia and 9 in the Brussels-Capital Region. 415 of these branches are managed by 386 branch managers and their 1,097 staff members. In addition, Argenta manages directly 26 branches with 89 employees.





Argenta strives for long-term relationships with its branch managers, who in turn guarantee personal and long-term relationships with customers. In this way, no fewer than 28 anniversaries were honoured in 2019. These branch managers have represented the Argenta brand for 25, 30 or 35 years and have built up loyal customer bases.

In addition, there are also many family successions within Argenta. 73 branch managers are 2nd generation and 3 are 3rd generation office managers in the same family.

5.3.3 Key moments in life

At Argenta, the customer is central, at every moment of his or her life. This is no hollow slogan. Argenta gives concrete expression to this by working with key moments: moments that are important in the life of the customer and in which Argenta can play a role as a trusted partner. The Argenta branches put this customer approach into practice every day,

providing customers with proactive tailor-made advice.

To help branches here, Argenta worked in 2019 on providing comprehensive support: relevant leads, campaigns, information sessions, updated training courses and workshops.



5.4 IT foundations for further digital acceleration

Argenta also wants to be digitally close and accessible to its customers. Argenta has therefore consciously opted for a multichannel strategy focused on the customer experience. In addition to the branch network, Argenta has two other channels: the digital channel (website and internet banking) and the mobile channel (Argenta app).

Improving the customer experience with the Argenta app.

The Argenta app was relaunch in 2019, with a simpler interface that considerably improves the customer's user experience. New functionalities were also added:

- For example, since 2019 customers can log in via itsme®, a functionality that also be used to save beneficiaries and change limits.

- Transactions can be signed via face and touch ID and transfers can be scanned via a QR code (Photopay).
- Since 2019, certain product simulations are also possible via the app, for example, Insured Home+ insurance, car loans and bicycle loans. Credit cards can be applied for and e-savings accounts opened also via the Argenta app.
- Cash positions on the investor account can also be managed via the app. Damage claims reporting has also been simplified.

In November 2019, the Argenta app reached a new milestone, with over 500,000 customers managing their banking affairs quickly, safely and easily via the Argenta app. In 2019, no fewer than 108,405 Argenta users logged into the Argenta app for the first time.

Digitization@Argenta

Figures December 2019

Subscriptions

Argenta app & Internet banking



529,867
Subscriptions



933,195
Subscriptions

Active users

Argenta app & Internet banking



453,097
Users



371,369
Users

Avg. new users

Argenta app (per day)



297
new users

Improving the customer experience of the Argenta website

Important improvements are also being made to the website. For example:

- In 2019, Argenta optimized the FAQ search function.
- Customers can subscribe to the Argenta newsletter.
- Branch links and product pages were optimized.
- For contact requests, customers receive a confirmation email and complaint forms are no longer accompanied by commercial communications.

5.5 Other initiatives to improve the customer experience

The focus in 2019 was on simplifying administrative processes to allow branches to spend more time advising customers. This way, the customer no longer has to travel to the branch to sign his or her credit application.

In early 2019, Argenta launched a messaging function within the Argenta app secure environment. Customers can now communicate with customer service via the Argenta app. In this way, they can contact our employees with all their questions: help with payments, questions about savings, insurance and investment, information about Argenta products and so on. In addition, the conversation history remains available. In this way the conversation does not end when the customer service closes. Customers can pick up or stop again whenever they want.

Since 2019, customers have also been able to receive Argenta documents via the Argenta app and/or via internet banking. In this way exchanges are increasingly carried out via a sustainable digital medium instead of by post. The number of documents delivered digitally is steadily increasing. Customers can indicate

themselves how they want to receive their documents: digitally or by post. Of the 500,000 customers who have already made a choice, 80% have opted for digital.

In early 2019, an active promotion campaign was started to update expired identity data by reading in customers' identity cards on the bank's ATMs. This was technically possible from November 2018 and got off to a full start in 2019. In this way the customer can update his or her identification data at any time without the intervention of the branch manager.





06

**Sustainable
Argenta**



ARGENTA



6. Sustainable Argenta

6.1 Introduction

Sustainability means caring for people, the environment and society. This produces stable and better operating results, happy employees and a healthy society. We are convinced of this at Argenta. That is why sustainability is fundamental to what Argenta is, what it does and how it does it.

Argenta's mission statement declares that Argenta wants to support families and individuals simply, honestly and close-by, so as to ensure their financial health. The fact that Argenta takes this to heart is reflected in the Argenta value proposition (see 5.1):

Simplicity is necessary to be fast and agile. Good value for money has always been an



essential part of the Argenta value proposition. As a trusted partners, the Argenta branches are crucial links in providing personalized advice and developing long-term relationships with our customers.

In 2019, Argenta again worked hard to express its responsibilities to people, the environment and society even more strongly, both internally and externally. Important steps in this direction were the appointment of a sustainability manager, the setting up of a sustainability consultation and an updated sustainability policy. This detailed sustainability policy can be found on the Argenta website. For our employees, a separate sustainability section has been created on the intranet.

The sustainability consultation, drawn from across the company, focuses on the five pillars

of Argenta's sustainability policy that seek to make an impact at different levels:

1. Argenta wants to be conscious of its ecological impact as an organization and act accordingly;
2. For its customers, Argenta is committed to offering a sustainable product range;
3. For its employees, Argenta is committed to implementing sustainable values;
4. Argenta takes social challenges to heart;
5. Ethics and integrity are at the heart of how Argenta does business sustainably.



6.2 Sustainability survey

Argenta attaches great importance to the expectations of its customers, prospects, branch managers, employees and shareholders with respect to sustainability. For this reason it organizes, every two years, a stakeholder survey based on the five pillars of its sustainability policy. In 2019, this was done in collaboration with research agency Profacts. The survey results form the basis for updating the Argenta sustainability policy and the sustainability action plan.

The 2019 survey was filled in by 1,163 customers, 135 branch managers and their employees, 368 head office employees, 1 interest group and 9 directors. In addition,

1,000 prospects were surveyed for the first time.

The sustainability survey uses the items below to assess stakeholders' priorities with regard to the five pillars of Argenta's sustainability policy.

The results are presented in a materiality matrix in which the interests and concerns of Argenta customers and prospects are compared with the interests and concerns of Argenta employees and branch managers. Further details can be found in the annexe.

Ethics and integrity

- 1) Fair sales methods, honest advertising, product transparency
- 2) Correct and transparent wage policy, no bonus culture
- 3) Combating corruption, fraud and money laundering
- 4) Ethical conduct by Argenta employees

Social responsibility

- 11) Sustainable partners
- 12) Investment in local, tangible projects
- 13) Divestment from oil, gas and coal

Ecological impact

- 5) Sustainable mobility policy
- 6) Transparency of the environmental impact of investments
- 7) Argenta operates paper-free

Customer care

- 8) Argenta's closeness to customers and personal approach
- 9) Both digital and local accessibility
- 10) Sustainable product range and specialised advice

Responsibility for our employees

- 14) Collaborative culture is more important than short-term profit
- 15) Room for internal entrepreneurship
- 16) Attention to well-being at work



6.3 Sustainability Action Plan

6.3.1 Linking to the United Nations' 17 Sustainable Development Goals

Argenta links its sustainability policy and its concrete sustainability action plan to the 17 United Nations Sustainable Development Goals (SDGs). These provide a universal framework for sustainability reporting.

the nature of its activities, it can make the biggest difference. These five SDGs are clearly reflected in the sustainability action plan discussed below.

Argenta is committed to all SDGs, but focuses on those SDGs with which, given

SUSTAINABLE DEVELOPMENT GOALS





Which SDG? How did Argenta implement the SDGs in 2019?



- Argenta offers twelve investment solutions carrying the Febelfin 'Towards Sustainability' label.
- The ecological footprint (from 2018, calculated in 2019) has decreased by 14% compared to the 2017 benchmark.
- The three largest suppliers were questioned about their ecological footprints.
- The head office is being renovated with a major focus on sustainability and limiting the CO₂ footprint. The new head office meets current building regulations for sustainability. We have installed solar panels, climate ceilings and no less than 50 km of pipes in the ground for geothermal energy. The heat stored underground in the BTES (borehole thermal energy storage) field will heat almost the entire building. In this way we make minimal use of fossil fuels.
- Argenta rationalised the number of cash transport journeys in 2019. For approximately 300 branches, the number of deliveries/journeys has been from 2 to 1 journey per week. This adds up to 15,000 fewer journeys per year.



- Argenta strives for a good work-life balance for its employees.
- Argenta wants to give its employees more empowerment. For this it initiated sustainable entrepreneurship processes in 2019. These will be rolled out further in 2020.
- Argenta offers a wide range of training opportunities to increase its employees' knowledge, well-being and commitment.
- Argenta converts customers' savings into local lending, thereby stimulating economic growth.
- Argenta's customer base again increased in 2019.



- Argenta produced less waste in 2019, thereby reducing its ecological footprint.
- Argenta encourages its employees to print as little as possible and in this way limit paper consumption.
- Argenta is increasingly investing in paperless contracts and keeps a close eye on innovations in this area.
- Argenta is strengthening its sustainable product range and will expand this further in the future.



- Argenta's investment policy is aimed at local impact in accordance with the Argenta value proposition.
- Argenta increases this impact even more with an impact fund focused on sustainable investment projects.



- Argenta has strict exclusion criteria for its investments. Argenta does not invest in the arms industry, the nuclear sector, the gambling industry, the tobacco industry, hazardous chemicals producers, the 'adult entertainment' industry and companies that commit animal abuse.
- Argenta has a strong complaints policy. It seeks, on the basis of concrete objectives, to handle customer complaints with the shortest possible turnaround time.
- Argenta actively combats phishing and other fraud. New measures were taken here in 2019, such as two-step authentication, and awareness campaigns in the social media. As a result, the number of fraud cases has decreased substantially.
- Argenta implemented an anti-money laundering action plan in 2019, followed by a reorganisation of its anti-money laundering unit.

6.3.2 Action plan 2016-2020




From the stakeholder survey in 2015, a sustainability action plan was drawn up for 2016-2020. This action plan applies to the entire company and all Argenta departments help to achieve the objectives. Below is an overview of the latest action points that were realized in the course of 2019. The action plan was as good as fully implemented:

overall, the majority of the action points have been achieved over the past four years. For two focal points the targets have not been met.

On the one hand, the 'Living Longer at Home' project, which contributed to offering care and ageing-related products to older customers, was stopped in 2018, given the limited impact compared to the heavy implementation burden it presented for branches. Via its real estate portfolio Argenta does invest in residential care centres, and older people are also included in the key moments.

On the other hand, the action point 'All suppliers endorse the sustainability charter' was postponed. The 2020-2023 action plan will develop this further.





Customers

Action	Status at end-2019	Further details	SDG
Developing a full range of digital products and services, in combination with personal service in the branches	100 %	The Argenta app was extended in 2019 with new user-friendly features. In 2019, 17 branch managers started work at Argenta. 28 branch managers were honoured for representing the Argenta brand for 25, 30 or 35 years.	
Improving financial and digital literacy	100 %	In 2019, various information evenings were organized on financial themes. Argenta supports schools and universities by providing training sessions, and making internships available.	
Optimizing accessibility of branches for disabled people	100 %	Accessibility for less mobile people is systematically optimized during renovations and installations.	


Role in the economy

Action	Status at end-2019	Further details	SDG
Expanding the service model with a digital channel	100 %	In 2019, the functionalities of the Argenta app and internet banking were significantly expanded.	
All suppliers endorsed the sustainability charter	50 %	In 2019, Argenta's achievement here was to bring the contract inventory to a higher level, by introducing a contract tool. Information relating to Argenta's sustainability charter will be included here. This is also further developed in the 2020-2023 Sustainability Action Plan.	

Society

Action plan	Status at end-2019	Further details	SDG
Developing a social vision for supporting projects with a contribution to society	100 %	In 2018, Argenta already endorsed the Sign for my Future project, the broadest climate coalition ever in Belgium. In 2019, the project's driving force Nic Balthazar came to give a presentation to the Argenta employees. In addition, Argenta supports local charities every year through Warm Argenta, to which Argenta employees contribute.	
Structuring environmental activities: paper use, renovation of the head office with energy-efficient technology	100 %	In 2019, additional awareness was created and some savings exercises were carried out in which paper consumption was included as a factor. In addition, Argenta selects by preference sustainable suppliers. A tree is planted for every fruit basket that Argenta orders. In 2019, this added up to some 5,461 trees. Argenta is consciously choosing environmentally friendly options for renovating and furnishing the head office.	
Growing sustainable funds from niche to core	100 %	In November 2019, twelve of the Argenta investment solutions (eleven with the Argenta name and one DPAM fund) in the Argenta offering obtained Febelfin's 'Towards Sustainability' label.	
Promoting and supporting sustainable mobility	100 %	Argenta encourages its employees to come to work by public transport or bicycle and is strongly committed to working from home. In addition, Argenta works with flexi-hours to limit peak traffic travel. More than half of Argenta's employees come to work in a sustainable way. A survey by 'Smart to Antwerp' shows that Argenta is one of the highest scorers among a large group of Antwerp companies.	

Ethics and integrity

Action	Status at end-2019	Further details	SDG
Extending automatic monitoring for preventing money laundering and terrorist financing	90 % (end 2019) 100 % (April 2020)	An Anti Money Laundering (AML) action plan was drawn up and implemented. As part of the AML Action Plan, a separate anti-money laundering and terrorist financing team was set up, headed by the Anti Money Laundering Compliance Officer (AMLCO).	

Employees

Action	Status at end-2019	Further details	SDG
Mapping and encouraging social commitment by employees	100 %	<p>For the past three years, Argenta has organized initiatives in the framework of Studio Brussels' 'The Warmest Week' charity activity. The 2019 proceeds of EUR 37,500 will be donated to five charities that Argenta employees have chosen themselves: Uilenspel vzw, Think-out-of-the-box, CuPerheroes, Zee na Es, Homeless Free Clinic.</p> <p>in May 2019, Argenta, together with a number of Antwerp homeless people, took part in Younited Belgium, a socio-sporting football event between companies for the benefit of people who are struggling with homelessness. Argenta donates EUR 5,000 to this Antwerp football team.</p>	



6.3.3 Action plan 2020-2023

A new action plan is being developed in 2020 based on the sustainability survey carried out in late 2019.

In addition to the materiality topics, the stakeholder survey also seeks to define specific certain topics that Argenta can work

on concretely and prioritize. The results point to a high degree of consensus among the various stakeholders. Argenta will therefore be focusing in future on simplifying the conditions for sustainable home loans, placing even greater emphasis on sustainable mobility and supporting branches even more in organizing information evenings.



Argenta's ambition is to:

- Halve its CO₂ footprint by 2023.
- Map and monitor the investment and credit impact using the uniform methodology of the PCAF (Platform for Carbon Accounting Financials) initiative.
- Invest impactfully to support local initiatives.
- Stimulate entrepreneurship, starting with organizing and activating talent within the organization through sustainable entrepreneurship processes.
- Integrate sustainability even more into the daily working of the organization through a communication plan.
- Consciously integrate sustainability further into all organizational processes. In this way sustainability can be better monitored across all processes.
- Permanently committing to sustainable mobility and encouraging employees to travel to work in a healthy, sustainable way.



6.4 Five pillars of sustainability

6.4.1 Ecological impact



Argenta as an organization

Argenta takes its responsibility seriously by consciously dealing with the ecological impact of its activities.

In 2015, 195 countries signed the Paris Climate Agreement. The objective is to reduce greenhouse gas emissions, such as CO₂, and to limit global warming to a maximum of 2 degrees celsius, with a target of 1.5 degrees.

Argenta set ambitious targets in 2017 and is working hard to limit its ecological footprint.

In 2017, the footprints of the head office in Belgium and the offices in Luxembourg and the Netherlands were mapped. As a service company, Argenta's direct ecological impact is limited. Nevertheless, Argenta wants to reduce its footprint by half by 2023.

The greenhouse gas inventory was prepared according to the GHG Protocol. Its coverage has been aligned with that of Argenta's financial reporting and includes 3 scopes:

Scope 1 emissions:

- heating (direct emissions)
- commuting via company car fleet
- cooling gases (airco)

Scope 2 emissions:

- electricity purchasing

Scope 3 emissions:

- commuting (excluding company car fleet)
- heating (indirect emissions)
- paper consumption
- waste production
- business travel

The greenhouse gases included in the calculation are CO₂, CH₄, N₂O and cooling gases. The emission factors used are based on DEFRA 2017.

Global emissions fell very sharply in the fields of electricity consumption and waste. Emissions from commuting remained stable. Fuel consumption for company cars and business trips increased. These increases are mainly due to the increase in the number of employees and the introduction of the cafeteria plan in which employees can opt for cars. This cafeteria plan explicitly stimulates

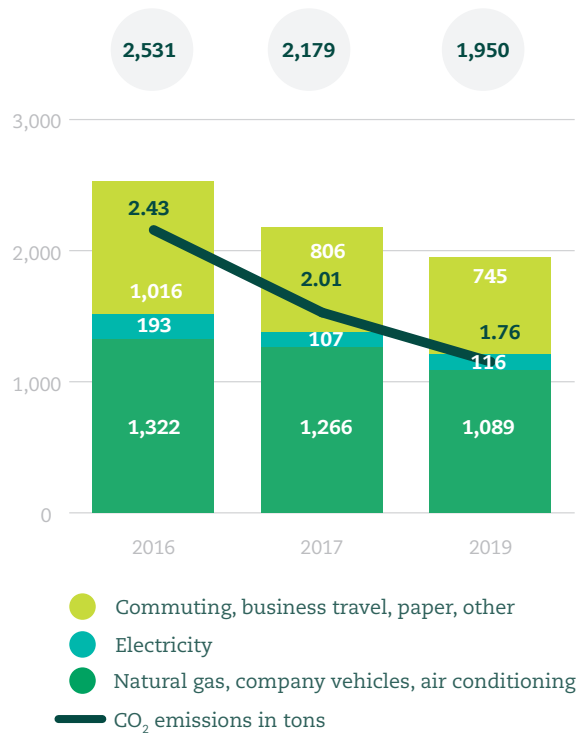
the choice of sustainable cars.

The data and information for the CO₂ calculation are based on the 2018 activities in Belgium, the Netherlands and Luxembourg. Since Argenta's goal is to halve its CO₂ footprint by 2023, the annual target is to decrease this by around 10%.

The ecological footprint in 2018 was 2,179 tons of CO₂, which is a decrease of 352 tons of CO₂, or -14%, compared with 2017. In 2019, the footprint decreases further to 1,950 tons, or another 11% less compared to 2018.

Total emissions per scope	Type	Unit	2017	2018	2019
Direct emissions - scope 1					
	Natural gas	CO ₂ Teq	513	374	315
	Vehicles	CO ₂ Teq	756	854	736
	Air conditioning	CO ₂ Teq	53	38	38
Direct emissions - scope 2					
	Electricity	CO ₂ Teq	193	107	116
	Heating	CO ₂ Teq	0	0	0
Indirect emissions - scope 3					
	Commuting	CO ₂ Teq	653	647	590
	Business travel	CO ₂ Teq	7	13	11
	Other	CO ₂ Teq	356	146	144
Total CO₂ emissions (head office)			2,531	2,179	1,950
Number of employees			1,042	1,085	1,106
CO₂ footprint per employee			2.43	2.01	1.76

CO₂ emissions in tons



Halving CO₂ emissions by 2023 will require Argenta, among other things, to focus on sustainable mobility. Half of Argenta's employees come to work in a sustainable way. Argenta supports this positive trend and is encouraging its employees even more by, among other things, increasing bicycle allowances and making sustainable transport methods the most attractive in the cafeteria plan.

Sustainable techniques have been resolutely chosen for transforming the renovated head office. Working in a sustainable environment should encourage employees to use resources sustainably, both at work and at home.



The remodelled head office building, which will be home to all employees from 2020, will provide 300 additional bicycle parking places, with additional facilities such as charging points, drying racks and showers.

In addition, Argenta encourages working from home, which helps to reduce CO₂ emissions by decreasing commuting.

Product impact investments

Within its product range, Argenta strives for the lowest possible CO₂ footprint.

In 2018, the ecological footprint of the investment portfolio was measured for the first time. In 2019, these figures were recalculated and compared with the 2018 base. For the direct business investments, the data for this measurement were provided by the Vigeo Eiris research agency, and for the underlying fund investments by the respective managers. This exercise measures each time the direct CO₂ emissions (scopes 1 & 2) of each company weighted in relation to the amount invested. Emissions related to government bonds were not taken into account.

In 2019 the percentage of investments for which emissions were calculated rose from 79% to 82%. This points to increased transparency by the companies in which we invest. In this way we can better manage our (sustainable) investments.

The average carbon footprint per fund decreased from 178 to 170 tons of CO₂ per EUR million invested. This is linked to the stricter requirements we have set for utilities companies. Once a company uses coal to generate even a fraction of its electricity, this company is excluded.

This tightened monitoring led to fund divestments of EUR 24.3 million.

In 2019, Argenta signed up to the PCAF (Platform for Carbon Accounting Financials) initiative. This platform uses a universal



methodology to calculate the CO₂ impact of credit and investment portfolios. From 2020, Argenta will use this methodology to calculate the ecological footprint of its credit and investment portfolios. Argenta has opted for PCAF in preference to other methodologies, as this method best suits the scope of its activities as a retail bank. In addition, a universal methodology such as PCAF provides the customer with a good basis for comparison: PCAF provides transparency on financial institutions' policies for contributing to the overall climate goals. With a universal methodology available as a basis for comparison, customers will be able to choose more consciously from the product range.

In order to join PCAF, Argenta committed to participating in working groups to share best practices with other financial institutions.

Impact via suppliers

In addition to its direct impact, Argenta wants to reduce its indirect emissions. That is why Argenta is investigating how its suppliers can contribute to reducing the ecological impact. For this, Argenta will be updating its suppliers' sustainability charter. By requesting information about their ecological footprints, Argenta can map the indirect emissions of its suppliers and encourage them to work actively in this field (see also 6.4.4).



Argenta works with a number of suppliers who plant trees when Argenta purchases. For example, Fruitful Office, the supplier of the fruit baskets, planted 5,461 trees in Malawi. In addition, 33 trees were planted by Staples, an office equipment supplier.

6.4.2 Customer and products



In recent years, Argenta has steadily made its lending and investment product offerings more sustainable.

A. Sustainable living

Approximately 79% of Argenta's customer savings are invested back into the real economy through loans to private individuals. Here too, Argenta takes a conscious approach, for example by providing discounts on loans for sustainable purposes.

With these discounts, loans for ecological renovation and safety carry lower fixed interest rates than regular renovation loans.

B. Sustainable mobility

In the field of mobility, Argenta offers a bicycle loan at a very attractive rate. Since 2019, this loan can be simulated and applied for in the Argenta app. Bicycle loans did very well in 2019, with production doubling in 2019 compared to 2018.

Differential rates apply to car loans, depending on the ecological impact, with hybrid and electric cars enjoying the best rates.

C. Sustainable investments

With sustainability consciously taken into account in the investment strategy, all Argenta funds have a sustainable character. Argenta applies the same ESG factors and the same exclusion list for all Argenta investment funds.



In 2019, Argenta introduced its 'tariff engine' for loans, with a discount for customers wishing to renovate sustainably or to purchase sustainable real estate. These discounts serve to make renovation or the purchase of sustainable real estate more accessible to every customer.

In 2019, Argenta again transformed a fund into a sustainable fund. The Argenta Responsible Materials Fund invests in shares of companies that invest sustainably in materials and raw materials that have an improving effect on public health or the environment.

Argenta subjects both the investment funds under its own management and those of external fund managers in its investment offering to sustainability screening. These external fund managers (Carmignac Gestion, Degroof Petercam, Robeco) have all subscribed to the United Nations Principles for Responsible Investment (UN PRI). Argenta also checks the criteria they apply in putting together and monitoring their funds.

Exclusion criteria

Wanting to pursue a consistent sustainability policy, Argenta has, since 2018, applied the same exclusion list for investment funds as it has for its own investments.



Argenta attaches great importance to its investments being ethical. For this reason, the same exclusion criteria are applied to the investment products as are applied to its own investment portfolio.

The Argenta exclusion list is prepared on the basis of two exclusion lists. These are the generally recognized exclusion list of the Norwegian State Fund, and an exclusion list developed internally in collaboration with Vigeo Eiris.

The exclusion policy is evaluated twice a year by the exclusion committee.

Argenta has also taken on board the legal framework for Undertakings for Collective Investment in Transferable Securities (UCITS) and the United Nations Global Compact (UNGC) principles with its own additional criteria.

The Argenta exclusion list excludes all investments in controversial activities, such as revenues from coal, tobacco, nuclear energy, gambling, adult entertainment, weapons, pesticides and products involving animal abuse during production, non-conventional oil and gas and controversies as defined by Vigeo Eiris.

Companies that fail to meet the sustainability criteria are excluded from Argenta's investment offering. In this way Argenta excludes 450 companies from a complete list of 4,908 companies.

Best-in-class methodology

For theme-based sustainable funds and for best-in-class sustainable funds Argenta adds the best-in-class method. In this way, Argenta supports companies whose services and products are created in the most sustainable manner in their particular sectors. In addition to the exclusion criteria that Argenta already applies, the least sustainable companies in their sectors are also excluded.

This is done through a combination of the exclusion list with a best-in-class methodology. The Forum Ethibel Investment Register forms the basis for the selecting of companies and countries in the sub-funds carrying an Ethibel label. Forum Ethibel, which applies its own criteria to Vigeo Eiris' research data, compiles this index and Argenta adopts these criteria.

Within the Argenta 'Responsible Growth (Defensive)' funds, Argenta invests in the best companies in terms of the ESG (Environmental, Social & Governance) score, and more specifically of the Environmental score (E-score) taken separately. These scores are calculated by Vigeo Eiris. Those companies that have ESG and E scores that place them at least among the top 75% in their sectors and preferably in the top 50% are eligible for investment by the fund. When talking about sectors, Argenta looks at global sectors, being convinced that a company's location should not impact its way of doing business and its respect for sustainability. Argenta assesses comparable companies on the basis of the ESG score.

SUMMARY	All Argenta investment funds	Sustainable theme funds	Best in Class sustainable funds
Integration of ESG factors	Yes	Yes	Yes
Argenta exclusion list	Yes	Yes	Yes
Best in class	/	Yes	Yes

In addition to the selection of securities for inclusion in the investment offering, the Argenta investment funds are screened annually in terms of sustainability, and their CO₂ footprints identified (see 6.4.1).

HEALTHY INVESTMENT

Assets under management, in millions of euros	2017	2018	2019
Argenta Spaarbank - Investment funds			
'Exclusion criteria' for companies before including them in proprietary funds	1,202.9	1,471.8	2,799.75
External fund managers screened for applying a sustainable policy	3,616.3	3,522.4	3,537.50
Best-in-class approach Companies meet sustainability criteria	192.8	200.3	228.34
'Thematic approach' companies around a defined sustainability theme	72.3	33.2	49.67
Argenta Assuranties - Investment Insurance			
'Exclusion criteria' for companies before including them in proprietary funds	608.2	784.8	1,225.25
External fund managers screened for applying a sustainable policy	1,239.5	1,022.9	959.67
Best-in-class approach Companies meet sustainability criteria	92.6	91.7	101.02
'Thematic approach' companies around a defined sustainability theme	31.8	12.5	20.61

Sustainable theme funds

Additional criteria are added for the sustainable thematic funds and the best-in-class sustainable funds. Since 2019, Argenta has four funds with an ETHIBEL label. Using semi-annual audits, Forum ETHIBEL vzw guarantees that the portfolio meets precisely defined investment criteria. At the end of 2019, 2,208 of the 4,280 companies were excluded from these funds.

Argenta-Fund Responsible Growth Fund is a fund that contains only companies that score strongly for corporate social responsibility. The fund grew by 20% in 2019. There is

also a defensive version, the 'Argenta Fund Responsible Growth Defensive', which also grew in 2019 (8%).

The 'Argenta Fund Government Bonds' aims to achieve the highest possible return with a limited risk. The fund consists solely of bonds issued by countries falling within the Ethibel investment universe. In 2019, this fund fell by 16 %.

The 'Argenta-Fund Responsible Utilities' invests mainly in companies that invest sustainably in the utility sector and in renewable energy. This fund was already



converted in 2017 into a sustainable fund. In 2019, this fund grew by 54%, driven by new registrations and good stock market results.

Finally, the 'Argenta-Fund Responsible Materials' was converted into a sustainable fund at the end of 2019. This fund invests in shares of companies that invest sustainably in materials and raw materials that have an improving effect on public health or the environment. This fund grew by 27 % in 2019.

These five funds and the Argenta Life unit-linked insurance policies (branch 23), based on them, together with 'Argenta Life Sustainable

Food Trends', obtained the Febelfin 'Towards Sustainability' label in 2019. This is a Belgian quality label awarded by an independent body. Only investment products that meet this sustainable quality standard may bear this label. In this way the customer can be sure that he is buying a sustainable investment product and can distinguish between the different products in the market.

6.4.3 Employees and commitment



A. Argenta employees in figures*

1,106
Number of employees

Argenta's workforce (Belgium, the Netherlands and Luxembourg) increased to 1,106, a net increase of 1.9 %. In 2019 189 employees started with Argenta, 68 employees left the company.

Beyond its salaried employees Argenta also has an extensive network of 386 persons self-employed tied agents (generally referred to as 'branch managers') with their own employees.

Belgium

1,035



Netherlands

62



Luxembourg

9



* Further information concerning these figures can be found in the appendix (on pages 118-119).

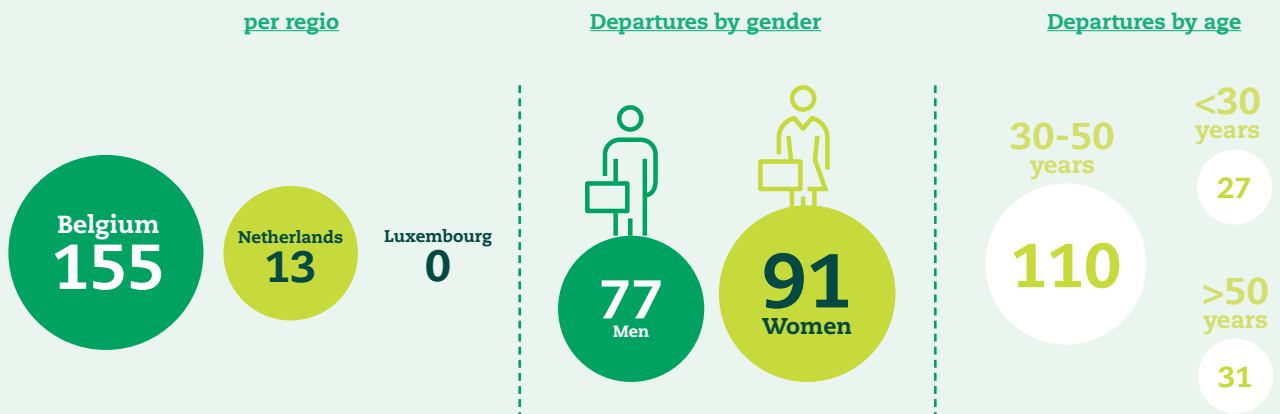
1,106

Distribution full-time/part-time by region



168

Departures



The total outflow shows an upward trend compared to 2018. This table contains all employees who left the Group's employment, including retirement, end of temporary contract, termination by the employer, etc. A significant portion of employees leaving

in Belgium moved to positions in the independent branch network. No fewer than 37 employees switched from the head office to the branch network, compared with 44 in 2018. The voluntary departure rate in 2019 was 4.9 %.

With the outsourcing of hospitalization insurance, 8 employees have, since 1 January 2019, been employed by Vanbreda Risk & Benefits nv. Due to the reorganization of the Mailroom department, 13 employees left during 2019.

The average age for the three regions together is 42 years. In the Netherlands the population

is slightly younger (average 39), in Luxembourg slightly older (average 45).

The 30 to 50 group is by far the largest age group in the age pyramid at Argenta.

Argenta consciously recruits in all age groups. Of the 189 new employees who started in 2019, 18.5% are older than 50 years.

**LEARNING AND DEVELOPMENT
(# TRAINING COURSES, TRAINING HOURS ...)**



Total training hours
24,117

Total number
546

Total average training hours
44



Total training hours
23,500

Total number
560

Total average training hours
42



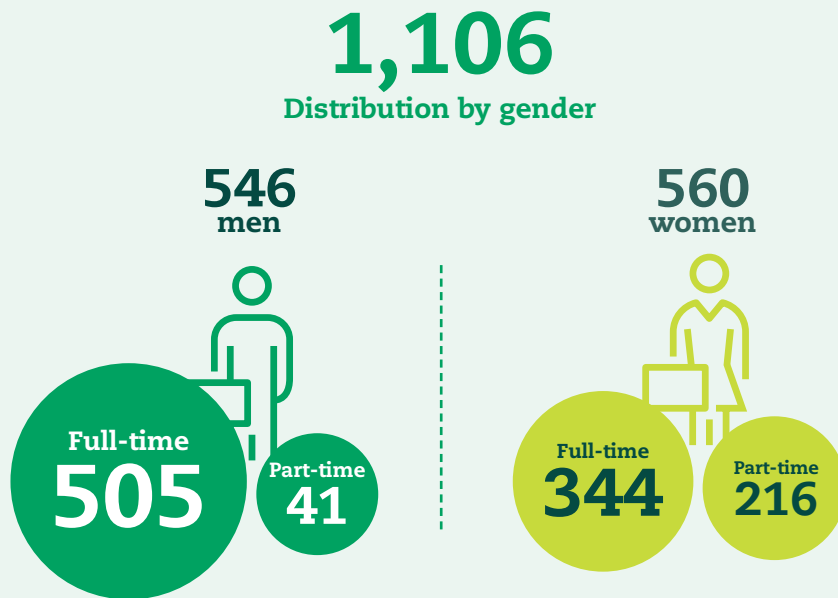
Total training hours
47,617

Total number
1,106

Total average training hours
43

EQUAL OPPORTUNITIES POLICY AND DIVERSITY

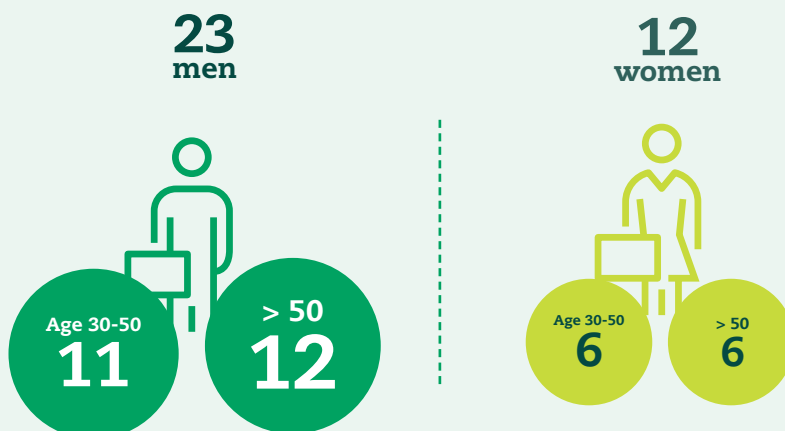
In 2019, the Argenta workforce was 50.6 % female and 49.4 % male.



The number of persons in senior executive (directie) functions (executive committee members and directors) at the end of 2019 was 35. The composition (male/female and per age) changed slightly.

35

Number of persons in senior executive positions in the Argenta Group



In addition, Argenta had 128 senior managers, 82 of whom were men and 46 were women at the end of 2019.



B. Healthy growth

Argenta has been implementing its 'Healthy Growth' HR programme since 2015. Behind the name lies a longer term ambition

'Our ambition is to be able to grow together. Both the organization and our talents.'

This ambition implies that Argenta and its employees are interdependent. On the one hand Argenta can only grow by letting its people - its talents - grow. And on the other talents can grow only if the organization grows. That is why Argenta wants to focus on the sustainable development of future-proof skills and on integrating learning as an attitude in the daily job so that this remains meaningful and challenging.

Argenta understands this connection between organization and talent as a mutual commitment. Commitment supports, strengthens, involves and inspires employees, enabling Argenta to achieve results and added value for customers, branch managers and partners. Commitment also expresses itself in ambassadorship: actively promoting Argenta and being proud of what is being achieved for customers.

The 'Healthy Growth' programme is an important pillar supporting Argenta's strategy and growth. Through the feedback and valuation cycle, Argenta's strategy translates in a very practical way into the contribution of each employee. The focus values (see also 6.4.5). Close-to-Customer, Entrepreneurial, Pragmatic and Simple feature large in

assessment discussions between employees and managers.

Healthy working environment

Various Healthy Growth initiatives were started in 2019 and others continued:

- At Argenta a working environment is created in which working (together) is enjoyable and where, depending on their priorities for the day, employees can select the most suitable workplace for working effectively. In this way people are able to perform better individually and better as a team, with due attention to ergonomics and the well-being of everyone. In choosing the layout for renovated head office, this concept is implemented in a contemporary, completely updated environment with all technological facilities.
- The function house (the classification of job functions) is also evolving, on the basis of organizational changes that are necessary for realizing our strategy. Numerous new functions have been defined and have now been filled, by external recruitment, but also increasingly through internal flow.
- Since 2018, employees in non-support positions can opt to step out of the time registration system ("opting out"). In 2019, a new social agreement was negotiated

that extends this scheme to support staff from the beginning of 2020. In this way, Argenta emphasizes the aim to direct employees not to attendance but to responsibility and performance.

- This social agreement also supports sustainable mobility, through increased bicycle and walking allowances. By facilitating telework and flexitime systems, Argenta also avoids a significant number of trips per day, including at peak travel times .
- Additional income protection in the event of long-term illness is also part of this social agreement and will be implemented in the course of 2020.
- Vitality and well-being are important themes for Healthy Growth. At the beginning of 2019, Argenta began a permanent 'Healthy habits @ Argenta' offering, in which employees practice together on site during the lunch break, but in their own time: yoga, mindfulness meditation, walking, healthy nutrition and stop smoking support were on the programme. This successful initiative will be continued in 2020.

This policy, which has been successfully rolled out since 2015, has also received external recognition. In the *Trends HR Manager of the Year 2019* competition, organized every year by the weekly Trends/Tendances magazine

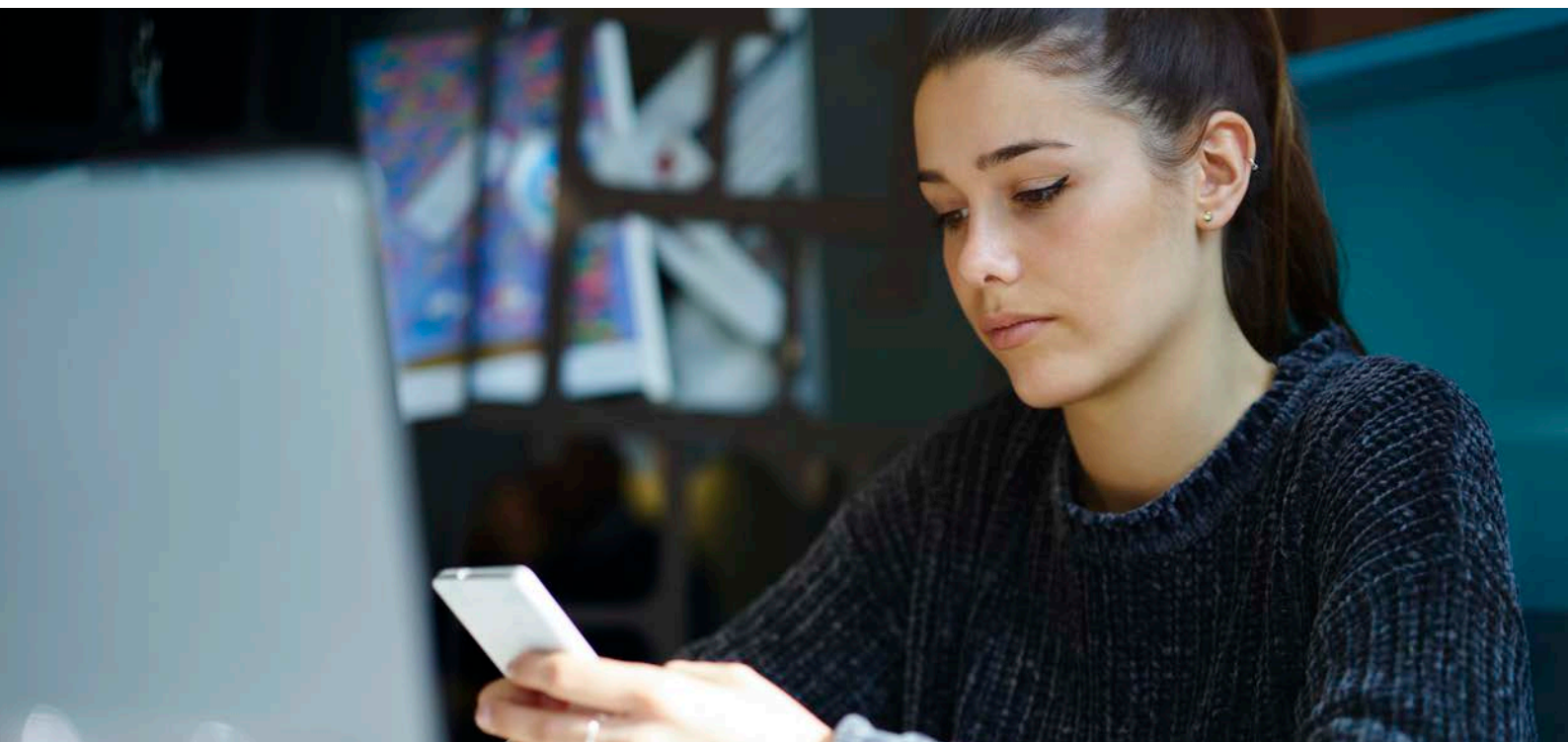
in collaboration with Kanaal Z, Veronique Michiels, Director Organization & Talent, was shortlisted for the 2019 prize. The sustainability aspect of Argenta's personnel policy and the focus on engagement and ambassadorship were particularly appreciated. The '101 reasons to work for Argenta' employer branding campaign, conducted both online and in the traditional media, also contributed to the shortlisting by the professional board of judges.

Equal Opportunities and Diversity

Argenta operates an equal opportunities policy in the recruitment and promotion of its employees. The primary objective is to attract the right people, and to put them in the right place. Argenta is also convinced of the importance of diversity.



Argenta makes no distinction in its recruitment on the basis of age, religion or belief, marital status, gender, financial status, political or trade union affiliation, language, health status, sexual orientation, social, cultural or ethnic origin or any disabilities. Candidates are assessed on skills, talents, knowledge and experience.



With a view to organizational continuity, Argenta places great importance on all its managers being able to handle diversity among their employees. Argenta's workforce therefore consists of a healthy mix of male and female employees of different ages, ethnicities and beliefs.

Argenta also attaches great importance to gender equality in the Executive Committee and in the Board of Directors (see 7.7).

Learning & development

To ensure Argenta's growth in also the long term, employees are encouraged to develop further.

Available to them for this are training courses, e-learning, coaching, exchanges of knowledge and experience between colleagues, and interactions with senior managers.

The training offering was thoroughly updated in 2018 and adjusted again in 2019. There are four approaches here, based on our strategic priorities: (1) professional development, (2) team development, (3) personal growth and (4) professional training courses.

Argenta Passport

To increase the agility of the organization and its employees, and translate this into an effective learning and development policy, Argenta signed a long-term partnership with Antwerp Management School (AMS) in 2019, and more specifically with the Next Generation Work expertise centre headed Prof. Dr. A. De Vos, to identify which expertise and

skills will be crucial for the future. With the help of focus groups, the thinking exercise was guided by a team from AMS. In 2020, this will translate into an adapted offering for employees.

Netherlands

Argenta Netherlands introduced a new strategy in spring 2019. This strategy was developed in intensive collaboration between the board, the management team and a delegation from the employees of all departments. A major concern here was to embrace agile working. This includes redesigning departments, tasks and activities, with attractive development and career opportunities for employees.

After the management team started a leadership program in 2018, all employees received training in 2019. Employees have a decisive role in the realization of the strategy. This greater customer focus, with a need to be more agile and faster, all requires leadership! Leadership is not just for senior managers. Everyone can take the lead, for example to improve cooperation, increase customer value or introduce a new way of working. The process is an essential part of the strategy to support everyone's leadership; personally, towards each other and towards the customer. Central to this is the process of connection and collective leadership.

G. EOS

In 2019, Argenta organized its Employee Opinion Survey ('EOS') for the fifth year in a row.

The survey probes four key elements: commitment, employee net promotion score (ambassadorship), motivational climate and well-being. Since the first measurement, company-wide priorities have been set and systematic action has been taken.

Commitment and ambassadorship

Both commitment (degree of connectedness to Argenta) and ambassadorship (degree of active promotion) levels are increasing. Commitment in particular again scores high.

Motivational climate

Employees continue to appreciate very highly the working conditions and good relations between colleagues at Argenta. The role of the staff member's immediate superior is appreciated even more than last year. The pay policy also scores positively. Clear communication for all employees about important management decisions and about the strategy is also highly appreciated.

Employees feel recognized and valued to a high degree at Argenta: their opinions and ideas are taken into account and communication between colleagues functions smoothly. They are given plenty of freedom to organize their own work. Degree of autonomy scored even higher: the ability to take responsibility is an important motivator. The great majority of employees also experience their work as meaningful and challenging. The investments in training and development for every employee, with coaching and support, are also appreciated.

The main point of attention right now is on flexibility and reactivity. Employees and senior managers together believe that the processes aimed at providing added value for the customer can still be much lighter and more efficient.

Well-being

Against the background of the legislation on psychosocial well-being, Argenta has taken care to ensure that the EOS also provides input on issues that impact well-being. These are work organisation, work content, working conditions, working environment and working relationships. Figures on these areas have also been improving over the last 5 years, with employees in the latest survey giving the highest scores to all aspects since the start of the measurements.

As with previous surveys, the Executive Committee has used the EOS conclusions to determine which items for improvement Argenta will prioritise for the company as a whole.

D. Pay policy

The Argenta Board of Directors, advised by the Remuneration Committee, sets the general principles of remuneration policy for employees ('Pay Policy'), and monitors its implementation. The Pay Policy, as defined by the Board of Directors in June 2019, determines which reference salaries apply to which functions, taking into account the degree of difficulty, responsibility, level of competence, experience and necessary specialization of a

particular function. The Argenta Group strives to remunerate its employees in line with market conditions. The salaries of Argenta employees, whether administrative staff, management or senior executives, consist solely of a fixed amount. There is no variable remuneration at Argenta.

For Identified Staff (employees whose professional activities mean that they could materially influence the risk profile of an institution) the remuneration principles are the same as for other functions at Argenta. This forestalls any material conflicts of interest arising for employees in these positions.

In addition to their monthly salary, all Argenta staff members in Belgium receive single and double holiday pay, 13th month, hospitalization insurance (extendable to the entire family), group insurance, meal vouchers, a cafeteria plan and a guaranteed income. For certain functions, company cars and fixed expense allowances are granted. In addition Argenta grants employee conditions on selected proprietary banking and insurance products to head office and branch network staff.

On 16 October 2019 a new social agreement was concluded with the social partners. The agreement includes, among other things, a purchasing power premium, strengthening of the group insurance, extension of the disability scheme, extension of the opt-out scheme and a new scheme for transport costs. This social agreement applies to all Argenta employees.

In 2019 the third edition of the cafeteria plan went live. Over 65 % of employees took part in the plan.

- Employees can convert their thirteenth month – in a tax-friendly manner – into benefits of their choice and in this way adjust their remuneration package flexibly to their individual preferences.
- Employees who (based on their job level) are entitled to a flat-rate lease budget for a car can also bring this budget into the cafeteria plan. In this way, all employees who qualify for this application receive a budget with which specific benefit options can be chosen that suit their own personal situation.

Argenta removed diesel cars from the range at the end of 2018 and will also offer electric cars from 2020 onwards.



and entrepreneurship are part of Argenta's DNA. For many employees this is now self-evident. Nevertheless, the new sustainability policy aims to get employees consciously involved in this.

F. Networking

Argenta attaches great importance to cooperation. Relationships and interfacing points are changing as the company continues to grow. The way we work together reflects this situation. Argenta believes strongly in networks for giving a clear place to the power of initiatives and ideas across all departments and levels.

Two networks are active at Argenta:

Nexus

The Nexus platform provides the Executive Committee and directors with an opportunity, at a monthly half-day meeting, to discuss matters such as strategy, results, key objectives, leadership and 'Healthy Growth'.

Lexus

Lexus is a platform for all Argenta executives. It meets up to four times a year to brainstorm on strategic themes and promote entrepreneurship for the benefit of our customers and employees.



6.4.4 Society



A. Investment policy for the proprietary portfolio

Sustainability at Argenta is also directed at society at large. Argenta invests mainly in local and socially relevant projects, with investments in unsustainable, unethical companies resolutely ruled out. Argenta uses the same exclusion criteria here as with its investment products.

In this way in 2019, Argenta Spaarbank invested a portion of the funds of private individuals raised through savings and banking in loans to government. This includes financing local projects through direct investments in cities and municipalities, government companies and infrastructure.

In 2019, Argenta actively invested in:

- **Hulpverleningszone Rand:** local cooperation of 20 emergency assistance corps from the municipalities of Lint to Essen;
- **De Watergroep:** drinking water company operating in more than half of all Flemish municipalities;
- **Police Zone North:** which guarantees security in the north-west of the province of Antwerp;
- **Leiedal:** committed to dynamic and sustainable regional development in south-west Flanders;
- **Igean:** intermunicipal company responsible for waste recycling in 30 municipalities;
- **Participation in Green Fund IV:** an infrastructure fund that invests in regional renewable energy projects.



These investments are part of the EUR 850 million that Argenta invests in the local economy, including social housing, care for the elderly, student housing, facilities for people with disabilities, and an inter-municipal company that produces 100% green energy. Argenta will continue this trend in the future.

In 2019, a major effort was made to reduce the ecological footprint of the investment portfolios. This included substantial divestments from historical positions in companies that indirectly generate turnover from coal extraction or non-conventional oil and gas and companies that still achieve substantial turnover from generating energy via coal-fired power stations. The switch to sustainable and best-in-class alternatives went into higher gear. By the end of 2020, all oil-producing companies will also be excluded from the investment portfolios.

For this, Argenta needs better data on the climate impact of companies and governments. It is therefore closely following the evolution of reporting on climate-related financial risks as provided by the Task Force on Climate-related Financial Disclosures (TCFD), with the ESG (Environmental, Social and Governance) risk also calculated for it by Sustainalytics. Additionally, Argenta is monitoring the recommendations of the European Commission for supporting sustainable investments, as elaborated in concrete terms by the High-Level Expert Group on Sustainable Finance (HLEF).

B. Supplier policy

Argenta insists that its suppliers also place a high priority on sustainability. Every Argenta supplier is asked to endorse a sustainability charter. This records each partner's commitment to sustainability in terms of good governance, social engagement, open communication, people-friendly entrepreneurship, risk management, sustainable investment, sustainable purchasing and sustainable product development, supply chain management, climate change, sustainable logistics and mobility, and combating corruption.

Argenta will further fine-tune this sustainability charter in the future. Argenta will assess the part of the supplier's ecological footprint that indirectly contributes to Argenta's own ecological footprint in order to map out this 'supplier's footprint' and to encourage suppliers to take greater account of this. Sustainability is also an important criterion in choosing these suppliers.



Argenta opts consciously for sustainable, local suppliers.

C. Partnerships

Argenta considers it important to engage in organizations that focus on sustainability and social responsibility.

Argenta has since 2014 been a partner of CIFAL Flanders, a training centre affiliated to UNITAR, the United Nations Institute for Training and Research. Argenta is represented on the board of directors. In 2018 Argenta received an official UNITAR certificate as a 'SDG Pioneer' from Cifal Flanders for its commitment to the 17 sustainable development goals of the United Nations.



In addition, in 2018, Argenta signed the 'family-friendly organization' charter of the Gezinsbond (Belgian Family Association). This charter states that a good personnel policy also pays attention to the combination of work and family. In this way, Argenta employees can opt for part-time work and teleworking, with parents of school-going children given priority when allocating vacation times.



The city of Antwerp wants by 2020 half of all journeys in Greater Antwerp to be done by public transport, on foot or by bicycle. Through the partnership concluded with 'Smart to Antwerp' in 2018, Argenta, as a major employer in downtown Antwerp, is making its contribution to this.



In 2019, Argenta signed a multi-year partnership with Antwerp Management School (AMS), more specifically with the Next Generation Work expertise centre. This partnership is aimed at increasing the flexibility and reactivity of both organization and employees.



D. Endorsed principles on sustainability

In 2017 Argenta signed the **Belgian SDG Charter for International Development**. This charter sets out to map the commitment of Belgian enterprises on the basis of the 5Ps: People, Planet, Profit, Peace and Partnership. Argenta takes the relevant themes into account in implementing its strategy.



Argenta has opted for the **United Nations Global Compact Principles** as a guideline, because these principles are supported worldwide and are based on international treaties and conventions. The United Nations Global Compact binds companies to ten principles in the field of human rights, working conditions, the environment and anti-corruption. These principles are derived from the Universal Declaration of Human Rights, and from internationally recognized declarations, such as those of the International Labour Organization, and conventions of the United Nations. , en conventies van de Verenigde Naties.

Argenta also respects the **Equator Principles**, These provide an important yardstick in the

financial sector for defining, assessing and managing environmental and social risks. The Equator Principles are based on the clearly defined guidelines of the IFC (International Finance Corporation) and the World Bank.

Other sector-specific guidelines that influence Argenta's sustainability policy include the **IFC Environmental, Health and Safety Guidelines en IFC Performance Standards**. The former serve to assess projects in terms of their environmental, health and safety aspects. The latter are used in financing decisions and endorse four fundamental **ILO-principles**;

- freedom of association and recognition of the right to collective bargaining;



- the ban on all forms of forced labour;
- the ban on child labour;
- the prohibition of discrimination (based on ethnicity, gender or social origin) with regard to the provision of work or specific functions.

Argenta also includes the **OECD Guidelines for Multinational Enterprises** in its sustainability story. These are voluntary guidelines and standards for responsible corporate behaviour, with a focus on respect for human rights.

Argenta also includes the **UN Principles for Responsible Investments** (UN PRI) in its scope. These offer a guideline for institutional investors in the field of socially responsible investing. Argenta will sign these in 2020.

In 2019, Argenta endorsed the **Platform for Carbon Accounting Financials** (PCAF). This contains guidelines for measuring and communicating the environmental footprint of mutual funds and loans. By subscribing to this platform, Argenta participates in the working groups on CO₂ emissions of investment funds.

E. Taxes and contributions to the government, regulators and professional associations

The effective tax rate for Argenta is 26 % excluding bank levies, and 59 % including bank levies (IFRS accounting). Bank levies rose by 4 % compared with 2018. Argenta insists on paying taxes and other contributions and levies to the government in a correct and timely manner.

F. Communication to society

Argenta communicates transparently about sustainability and the scores it receives from external rating agencies. For example, Argenta is the number three player in the Belgian market in terms of sustainability according to FairFin and the 66th worldwide according to Sustainalytics.

in EUR									
Countries	Activities		Revenue	Result before taxes	Current taxes	Deferred taxes	Total corporation tax	Subsidies received	Result after taxes
TOTAAL		31.12.2018	628,354,273	233,015,648	-74,410,073	15,820,494	-58,589,579	-	174,426,070
		31.12.2019	660,991,442	234,146,252	-66,576,022	6,502,766	-60,073,256	-	174,072,996
BE	Banking and Insurance	31.12.2018	343,121,892	20,844,489	-17,365,604	14,326,448	-3,039,156	-	17,805,334
		31.12.2019	343,791,611	-2,094,737	-2,498,618	7,115,448	4,616,830	-	2,522,093
LU	Other financial services	31.12.2018	40,415,323	16,755,162	-4,231,533	-	-4,231,533	-	12,523,629
		31.12.2019	54,987,047	21,324,256	-5,317,604	13	-5,317,591	-	16,006,665
NL	Banking and Insurance	31.12.2018	244,817,058	195,415,997	-52,812,936	1,494,046	-51,318,890	-	144,097,107
		31.12.2019	262,212,784	214,916,733	-58,759,801	-612,694	-59,372,495	-	155,544,238

Rating agency	2019 score	2018 score	2019 positions	2018 positions	Comments
FairFin	61 %	53 %	3 rd	4 th	
Sustainalytics	72 %	n/a	66 th	n/a	This was monitored only 2019.

6.4.5 Ethics and integrity



In terms of ethics and integrity, Argenta continues on an unchanged path. Honest sales methods and a no-nonsense culture remain extremely important for Argenta.

A. Argenta focus values

To stimulate the desired behaviour among employees, the 'DOPE' programme was introduced in 2018. The word 'DOPE' comes from the initial letters, in Dutch, of the focus values that all employees actively bear in mind in their daily work. These are:

Close-at-hand: all employees respect each other's opinions, share knowledge and experiences, are honest with each other and enter into long-term relationships in which there is no room for self-interest. On top of this comes constant attention to the customer, to ensure excellent service.

Enterprising: Employees take action themselves to achieve the set goals and, when

they detect opportunities somewhere, to go for them.

Pragmatic: Argenta staff members go straight to the target, without detours. A good solution is one that is not unnecessarily difficult.

Simple: Communication with each other is clear and focused on essentials. Simple solutions should be sought that do not complicate things unnecessarily.

To ensure that everyone is attentive to the ethical standards at all times, Argenta launched the 'Integrity' update in 2019. In addition, every employee receives periodic, digital updates of the most important standards and of new rules and risks.

B. Integrity Charter

Having a good corporate governance framework significantly strengthens the commitment and dedication of all Argenta

employees. For this reason, in addition to the strategic objectives, the Board of Directors also defines Argenta's integrity policy and the internal codes of conduct in the Integrity Charter. This charter defines how the company acts in a spirit of integrity and of commitment to all Argenta stakeholders. This charter sets out with Argenta's own focus values, but also ethical standards for ensuring the integrity of the banking and insurance sector. In addition to value-conscious and deontologically responsible conduct by Argenta, it is important that employees safeguard their personal integrity. Given their model role, it is essential that management imposes strict rules of conduct on itself and sets a good example ('tone at the top').

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

The Integrity Charter also includes the whistle-blower policy. This ensures that (attempts at) illegal, immoral or non-

legitimate practices that are under Argenta's control come to light. This set of rules was renewed in 2019, offering employees a channel to report observations of (what appear to be) irregularities within the company without having to follow the hierarchical path. The anonymity of the whistle-blower is always guaranteed. No incident was reported via this channel in 2019.

C. Compliance

The Compliance department plays an important role in the enforcement of Argenta policy. It plays a coordinating and initiating role in implementing the integrity policy, reporting on this to the Argenta Bank- en Verzekeringsgroep Executive Committee and Board of Directors. It fulfils this role both by assisting other departments with information and by checking compliance with the integrity policy. To this end, e-learnings on combating money-laundering and terrorist financing and on privacy have been introduced across the organization. In order to do this optimally, the structure of the department was adapted in 2019, including a separate anti-money laundering and terrorist financing team led by the anti-money laundering compliance officer (AMLCO) and appointing a data protection officer (DPO) to ensure the privacy of our customers and employees. In 2019, several improvements were made to the anti-money laundering and terrorist financing control framework.



D. Complaints reporting

Argenta offers its customers the opportunity to report complaints. In 2019 the handling time for complaints was on average 4 working days. The number of complaints has normalized again after the peak in the second quarter of 2018 following the launch of the new banking platform.

Anyone not satisfied with the efforts of the Argenta Complaints Management service is free to contact Ombudsfin (Argenta Spaarbank: the Banking – Credits – Investments mediation service) or the Insurance Ombudsman (Argenta Assuranties) or Kifid (Argenta Netherlands).

	2017	2018	2019
Total complaints received	2,606	3,536	2,432
Total complaints received for privacy violation	51	13	19



6.5 Governance for sustainability

6.5.1 Sustainability Consultation

Argenta attaches great importance to the empowerment of its employees. For this reason employees from all departments of the organization work together in the Sustainability Consultation under the leadership of sustainability manager Stéphanie Dangreau, who was appointed in

2019. They form a company-wide team with an ambassador from every department and ensure that sustainability is a living value in the organization.

The ambassadors form the bridge between the Sustainability Consultation and their colleagues by informing the latter of the Consultation's activities and by stimulating consultation on sustainable initiatives within the departments.

The Sustainability Consultation is looking at how Argenta can focus even more on sustainability. In various working groups the ambassadors elaborate their ideas on, for example, the sustainable product range, sustainable culture, sustainable investment, sustainable entrepreneurship, the ecological impact of Argenta and the impact of regulations on Argenta.



6.5.2 Risk Management

The risk management framework is constantly updated and adjusted based on new regulations, daily experiences and changes in Argenta's activities, including those resulting from sustainable choices made by Argenta (and which always tie in with Argenta's activities as a bank-insurer). Demonstrating that adequate risk management procedures are in place is a key condition for acquiring and retaining the trust of all stakeholders:

customers, investors, branch managers, supervisory authorities and rating agencies, as well as directors, management and employees.

The dynamics of the financial world call for the permanent, proactive development of processes for managing both financial and non-financial risks. Risk management consists of managing risks, comprising the cycle of identifying, evaluating, managing and monitoring risks to which Argenta or one of the Argenta entities can be exposed.



Professional risk management with an eye for all possible risks is an essential condition for achieving sustainable, profitable growth. The Argenta Group recognizes this and sees risk management as one of its core activities.

A detailed description of Argenta's risk management can be found in the IFRS annual report on the Argenta website.

6.5.3 Representation of interests in professional organizations

Argenta is a member of **ESBG** (European Savings and Retail Banking Group), an organization of European savings and retail banks. Through its ESBG membership, Argenta is also a member of the **WSBI** (World Savings Bank Institute). WSBI brings together savings and retail banks from 80 countries and in this

way represents the interests of approximately 6,000 banks worldwide.

In Belgium and the Netherlands, Argenta defends its positions in **Febelfin**, the umbrella federation for the Belgian financial sector, in **Assuralia**, the overarching organization of the Belgian insurance sector, and in **NVB** (the Dutch Banking Association). In Febelfin, Argenta is a member of various working groups and committees, including the Savings & Investment Committee, the Sustainable Finance Committee, and the Sustainable Business and Regulatory Environment Steering Committee.

6.6 Reporting and auditor verification of the content of GRI indicators

The sustainability reporting is intended for all customers, branch managers, employees, cooperative and family shareholders, institutional investors, regulators, social representatives and others who are interested in the sustainability performance of the Argenta Bank- en Verzekeringsgroep and all underlying companies.

The report covers the period from 1 January 2019 to 31 December 2019. It has been drawn up in accordance with the most recent reporting standard of the GRI, being the GRI Standards: Core option.

6.6.1 Data collection and validation

The information was gathered from the following Argenta departments: Commercial Marketing, Distribution, Distribution Support, Strategic Marketing, IT, Financial Management, Organization & Talent, Legal Affairs, Procurement & Facility Management, Compliance, Internal Audit, Treasury & Investment and the operational departments. The underlying companies and the branches in the Netherlands were also consulted.

The data is sourced mainly from internal reports. Argenta will take steps to be able to include in future sustainability reports those

indicators that have not been available until now.

The information used for reporting on sustainability in this annual report has been monitored by the Sustainability Manager, reporting directly to the Chief Executive Officer (CEO). The CEO is also the director with designated responsibility for corporate social responsibility.

In addition, the Board of Directors is involved in corporate social responsibility and reporting on it. Each director has proofread the report and given feedback where necessary. This report has been approved by the Board of Directors.

6.6.2 Reporting standards

This sustainability report is based on external standards and guidelines. The auditor has verified that it has been prepared in accordance with GRI guidelines (Core option) including the indicators in the Financial Services Sector Supplement (FSSS).

6.6.3 Scope

Since 2012, Argenta has published every year a sustainability report as part of its full annual report. From 2014 onwards, the sustainability reporting has been woven into the traditional topics of the annual report and is therefore no longer captured in a separate chapter. This form of reporting is in line with the Argenta philosophy, in which sustainability is

viewed as an integral part of the banking and insurance activities.

The scope of the 2019 sustainability report consists of Argenta Bank- en Verzekeringsgroep nv, and the underlying companies (Argenta Spaarbank nv, with its branch office in the Netherlands, Argenta Asset Management sa, Arvestar Management nv, and Argenta Assuranties nv, with its branch office in the Netherlands).

The independent branches are not included since they fall under the direct responsibility of the self-employed branch managers. Argenta nonetheless encourages them to endorse the commitments set out in this report. In this they are also supported by Argenta.

6.6.4 Differences in comparison with 2018

The reporting method for 2019 complies with the GRI Standards. The GRI reference table is consequently structured in accordance with the GRI standards.

In terms of substantive scope and area of application there are no significant differences compared to last year.


6.6.5 Auditor verification of the content of GRI indicators

Argenta Bank- en Verzekeringsgroep NV/SA

Statutory auditor's report on the limited review conducted on selected CSR performance indicators published in the Activities and Sustainability Report of Argenta Bank- en Verzekeringsgroep NV/SA for the year ended 31 December 2019

Statutory auditor's report on the limited review conducted on selected CSR performance indicators published in the Activities and Sustainability Report of Argenta Bank- en Verzekeringsgroep NV/SA for the year ended 31 December 2019

To the board of directors

In our jurisdiction of statutory auditor of the company and pursuant to your instructions we have performed review procedures in order to obtain limited assurance concerning a selection of CSR indicators marked with a symbol  in the GRI reference table ("the CSR Data") published in the Activities and Sustainability Report of Argenta Bank-en Verzekeringsgroep NV/SA for the fiscal year ended at 31 December 2019 ("the Document"). Argenta Bank- en Verzekeringsgroep NV/SA reports according to the guidelines of the "Global Reporting Initiative" (GRI) ("GRI Standards") – option "Core".

The CSR Data are applicable to Argenta Bank- en Verzekeringsgroep NV/SA as well as the underlying entities (Argenta Spaarbank NV/SA and its branch office in The Netherlands, Argenta Asset Management SA, Arvestar Asset Management NV/SA, Argenta Assuranties NV/SA and its branch office in The Netherlands). The independent branches are not incorporated as they are subject to the direct responsibility of the independent branch managers.

The scope of our work is limited to the CSR Data relating to 2019. The statement mentioned below is therefore only applicable on these CSR Data. The other indicators and information included in the Document are not part of this assurance review. Furthermore, we do not provide any assurance concerning the achievability of the in the Document included future-oriented information such as objectives, expectations and ambitions of Argenta Bank- en Verzekeringsgroep NV/SA.

Responsibility of the board of directors

The board of directors of Argenta Bank- en Verzekeringsgroep NV/SA is responsible for the preparation of the Document in accordance with the applicable legal terms. Furthermore, the Board is responsible for the reported efforts and achievements within the domain of sustainability, the preparation of the CSR Data itself as well as applying the GRI Standards.

This responsibility entails the selection and application of appropriate measurement methods used to prepare the CSR Data, the reliability of the underlying information as well as the application of assumptions and reasonable estimations. In addition to this, the responsibility of the board of directors also entails the design, implementation and maintenance of an internal control system and procedures relevant to the preparation of the CSR Data.

Argenta Bank- en Verzekeringsgroep NV/SA
Statutory auditor's report on the limited review conducted on selected CSR performance indicators published in the
Activities and Sustainability Report of Argenta Bank- en Verzekeringsgroep NV/SA for the year ended
31 December 2019


Nature and scope of work

Our responsibility is to express an independent conclusion on the CSR Data based on our limited review.


We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000
"Assurance Engagements other than Audits or Reviews of Historical Information".

Our procedures are aimed at obtaining limited assurance on the fact that the Non-Financial Data do not contain
material misstatements. These procedures are less profound than the procedures of a reasonable assurance
engagement.

The scope of our work included, amongst others the following procedures:

- Obtaining an understanding of the design and the operational structure of the systems and methods used to collect and process the CSR Data, the classification, consolidation and validation of these CSR Data as well as assessing the operational effectiveness of these systems used to determine the CSR Data marked with a symbol  in the GRI reference table as mentioned in the Document;
- Conducting interviews with responsible officers;
- Examining on a sample basis, internal and external sources of information in order to evaluate the reliability of the CSR Data and performing consistency checks on the consolidation of these CSR Data.

Conclusion

Based on our limited review, as described in this report, nothing has come to our attention that causes us to believe that the CSR Data related to Argenta Bank- en Verzekeringsgroep NV/SA marked with a symbol  in the Document are not in all material aspects prepared according to the GRI Standards.

Zaventem, 3 April 2020

The statutory auditor


Deloitte Bedrijfsrevisoren/Réviseurs d'entreprises CVBA/SCRL
Represented by Dirk Vlamincx

Deloitte.

Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises
Coöperatieve vennootschap met beperkte aansprakelijkheid/Société coopérative à responsabilité limitée
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Member of Deloitte Touche Tohmatsu Limited



First row, seated (from left to right):

Cynthia Van Hulle, Bianca Maenhout, Inge Ampe

Second row, standing (from left to right):

Gert Wauters, Elke Vanderhaeghe, Carlo Henriksen, Marie Claire Pletinckx, Marc van Heel, Anne Leclercq, Marc Lauwers, Raf Vanderstichele, Bart Van Rompuy, Marie-Anne Haegeman, Baudouin Thomas, Geert Ameloot (seated)

Third row:

Ann Brands



07

**Corporate
governance**



ARGENTA

7. Corporate governance

The composition of the governing bodies of the company as of 31 December 2019 is given below.

7.1 Operation and composition of the Boards of Directors

The Boards of Directors of Argenta Bank- en Verzekeringsgroep, Argenta Spaarbank and Argenta Assuranties have similar structures. They include in each case:

- the members of the Executive Committee of the company concerned (the executive directors);
- a number of independent directors;
- a number of directors representing the shareholders (together with the independent directors, the non-executive directors).

The Boards of Directors are composed in such a way that none of the three distinct groups in them (the directors representing the shareholders, the independent directors, and the executive directors) has a majority. The majorities in the Boards are always formed by non-executive directors.

The number of directors in each Board of Directors should preferably not exceed fifteen.

Members of the Board of Directors must be natural persons. In principle, directors' mandates are for six years and are renewable.

The following age limits apply to directors:

- executive directors are legally required to resign on reaching the age of 65;
- non-executive directors resign automatically on reaching the age of 70;
- directors reaching the age limit may continue to exercise their mandates until a successor has been appointed.

The Board of Directors may permit exceptions to these rules on a case-by-case basis.

Independent directors are appointed with a view to attracting competencies in the Argenta Group's core activities, namely banking and insurance. Independent directors need to demonstrate broad experience in at least one of these core fields on the basis of their former or current activity. They need to meet all the

requirements stipulated in Article 7:96 of the WVV (Companies and Associations Act).

The Argenta Boards of Directors each have a number of independent directors, with at least one independent director of Argenta Spaarbank not sitting on the board of Argenta Assuranties, and vice versa. The independent directors of Argenta Spaarbank and Argenta Assuranties may be, but are not necessarily, members of the Board of Directors of Argenta Bank- en Verzekeringsgroep.

The governance rules concerning independent directors seek to ensure an appropriate balance in the management of the various companies of the Argenta Group between the representation of the group's interest and the protection of the interests (of the stakeholders) of the individual companies making up the Group.

The division of tasks between the Boards of Directors and the interaction with the various committees are documented in the Internal Governance Memorandum.

At the end of 2019 the Boards of Directors of Argenta Bank- en Verzekeringsgroep Group (BVg), Argenta Spaarbank (Aspa) and Argenta Assuranties (Aras) were composed as follows:

- **Marc van Heel**, chairman of the Board (BVg, Aspa and Aras) and member of the Risk Committee (Aspa and Aras)
- **Geert Ameloot**, executive director and CFO (BVg, Aspa and Aras)
- **Inge Ampe**, executive director and CCO

(Aspa and Aras)

- **Ann Brands**, executive director and COO (Aspa and Aras)
- **Marie-Anne Haegeman**, non-executive director (BVg, Aspa and Aras)
- **Carlo Henriksen**, non-executive and independent director (BVg and Aspa), chairman of the Risk Committee (Aspa), chairman of the Appointments Committee (BVg), member of the Remuneration Committee (BVg)
- **Marc Lauwers**, executive director and CEO (BVg, Aspa and Aras), chairman of the Board (AAM)
- **Anne Leclercq**, non-executive director (BVg, Aspa and Aras), member of the Audit Committee (Aspa and Aras), member of the Remuneration Committee (BVg)
- **Marie Claire Pletinckx**, non-executive and independent director (BVg and Aras), chair of the Audit Committee (Aras), chair of the Risk Committee (Aras) and chair of the Remuneration Committee (BVg)
- **Baudouin Thomas**, non-executive and independent director (Aspa and Aras), member of the Audit Committee (Aspa and Aras), member of the Risk Committee (Aspa and Aras)
- **Cynthia Van Hulle**, non-executive director (BVg, Aspa and Aras)

- **Bart Van Rompuy**, non-executive director (BVg, Aspa and Aras), member of the Risk Committee (Aspa and Aras), member of the Appointments Committee (BVg)
- **Raf Vanderstichele**, non-executive and independent director (BVg and Aspa), chairman of the Audit Committee (Aspa), member of the Risk Committee (Aspa),
- **Gert Wauters**, Executive Director and CRO (BVg, Aspa and Aras), member of the Board (AAM).

7.2 Advisory bodies of the Boards of Directors

Audit committees and risk committees

Separate audit and risk committees exist within the boards of directors of Argenta Spaarbank and Argenta Assuranties. At Argenta Spaarbank, both committees are chaired by a separate, independent director not belonging to the Board of Directors of Argenta Assuranties. At Argenta Assuranties, both committees are chaired by an independent director not belonging to the Board of Directors of Argenta Spaarbank. The (limited) specific activities of Argenta Bank-en Verzekeringsgroep are overseen by the Audit Committee and the Risk Committee set up within the Board of Directors of Argenta Spaarbank.

The Audit Committee supports the Board of Directors in fulfilling its duty of oversight of the financial reporting process, the internal system, the audit process and the process for

monitoring compliance with legislation and regulations.

The Risk Committee assists the Board of Directors in monitoring the implementation of the risk strategy by the Executive Committee. In accordance with the Governance Memorandum this includes determining the nature, scope, form and frequency of the information on the risks that the Board of Directors wishes to receive. The Risk Committee also discusses the advice of the Compliance function regarding remuneration policy.

Remuneration Committee and Appointments Committee

One remuneration committee and one appointment committee are active within Argenta. These are set up within the



**From left to right:
Geert Ameloot,
Marc Lauwers,
Ann Brands,
Gert Wauters,
Inge Ampe**

Board of Directors of Argenta Bank- en Verzekeringsgroep. Based on a waiver granted by the supervisory authority, they operate at group level, with no separate remuneration or appointments committees within the Boards of Directors of either Argenta Spaarbank or Argenta Assuranties.

The Remuneration Committee advises on the remuneration policy of the members of the Board of Directors, of those employees whose professional activities can have a material impact on Argenta (the "identified staff") and on that of all other Argenta Group employees. It monitors the evolution of compensation within the Argenta Group, makes sure that the remuneration policy promotes a solid risk culture, and makes general recommendations to the Board of Directors. For this, it also examines annually whether remuneration

in the Argenta Group is in line with the remuneration policy.

The Appointments Committee is tasked with assisting the Boards of Directors of the Argenta Group companies and advising them on assuming their responsibilities and on taking the necessary decisions with regard to the composition, structure and functioning of the Board and of the Executive Committee. For this the Committee examines the performance of the Boards of Directors and of the Executive Committees of the Argenta Group companies, as well as the performance of their individual members and prepares the succession plans in the two bodies.

7.3 Executive Committees and effective management of Argenta

The Executive Committee of Argenta Bank-en Verzekeringsgroep stipulates the limits within which the various group companies perform their activities and exercise their responsibilities. The Executive Committees of the Argenta Group companies met regularly during the past year, in principle weekly.

At these meetings various various relevant topics were on the agenda, including the development, approval and regular update of the mission, vision and values as these relate to economic, social and environmental issues.

At the end of 2019, the Executive Committee consisted of:

- **Marc Lauwers** (CEO BVg, Aspa, Aras - chief executive officer, chairman, CIO Aspa, Aras ad interim - chief information officer ad interim),
- **Geert Ameloot** (CFO BVg, Aspa Aras - chief financial officer),
- **Inge Ampe** (CCO Aspa, Aras - chief commercial officer),
- **Ann Brands** (COO Aspa, Aras - chief operations officer),
- **Gert Wauters** (CRO BVg, Aspa, Aras - chief risk officer).

Policy decisions related to corporate social responsibility (including economic, social and environmental) are monitored directly by the CEO, with the sustainability manager reporting to him. The mission and the composition of the Executive Committees are defined with a view to the maximum operational integration of the individual companies in the interest of the group.

The Dutch branch office (bank and insurance) is headed by Ronald Touwslager (CEO) and Sander Blommaert (CFRO). The Luxembourg management company Argenta Asset Management is headed by Gregory Ferrant (CEO) and Michel Waterplas.

The management company Arvestar Asset Management is headed by Vincent Vanbellinghen (CEO) and Rudolf Sneyers (CRO).

On 30 June 2019, Geert Van Hove resigned as CIO. His mandate as head of the IT departments was taken from July 2019 over by CEO Marc Lauwers pending the appointment of a new CIO.



7.4 Suitability and assessment

The 'Suitability of Key Executives' Charter produced for the Argenta Group, including the foreign subsidiary Argenta Asset Management and the Dutch branch offices, sets out the governance and structured framework that Argenta has put in place to ensure the suitability of its key executives.

'Suitability' means that the person in question has the expertise (fit) and professional integrity (proper), as specified in the NBB Circular of 2 October 2018 on the 'expertise' and 'professional integrity' required of executive committee members, directors, heads of independent control functions and effective senior managers of financial institutions. 'Key executives' refers to directors or statutory auditors, executive committee members, senior managers, and heads of independent control functions (internal audit, risk management, compliance, and actuarial

function), in accordance with the above NBB circular.

In addition to assessing the suitability of individual directors based on the stated eligibility criteria, the Board also periodically evaluates its operation, its performance and the performance of individual directors.

The assessment of the operation and effectiveness of the Board of Directors took place at the end of 2019. The results were presented in spring 2020 and the necessary actions taken.

7.5 External appointments and directors' personal interests

Each director is encouraged to organize his personal and professional activities in such a way as to avoid conflicts of interest with Argenta. The Boards of Directors of the Argenta companies have, in their internal rules of procedure, established policies, including organizational and administrative

arrangements (including keeping information on the application of the same), and forestalling conflicts of interest or, where this is not reasonably possible, managing the conflicts of interest without jeopardizing the interests of customers.

7.6 Remuneration of executive management

The remuneration of the executive and non-executive directors of the Argenta Group companies is established by the respective Boards of Directors following a proposal from the Remuneration Committee. This proposal is also presented to the general meetings of the respective companies for ratification.

Remuneration of the non-executive directors

The remuneration of the non-executive members of the Board of Directors of the Argenta Group companies consists solely of a fixed remuneration established by the respective general meetings. They do not receive variable remuneration of any kind. This remuneration is the same for all independent directors and directors representing the shareholders. Non-executive directors receive an additional fee for each meeting attended when participating in

special committees set up within the Board of Directors (Audit Committee, Risk Committee, Appointments Committee, Remuneration Committee). This fee is the same for all members of such a committee, but with the chair receiving a higher fee.

The chair of the various Boards receives a fixed remuneration which differs from that of the other non-executive directors. He receives no additional fees per attended meeting. Besides the fixed annual remuneration, the Chairman of the Board also enjoys the benefits of an IPT (Individual Retirement Commitment).

No severance pay exists for non-executive Board members.



Remuneration of executive directors

Executive directors receive a fixed annual remuneration. They do not receive variable remuneration of any kind. In this way their pay does not contain elements that could encourage the pursuit of short-term objectives that are inconsistent with the Argenta Group's long-term objectives.

The remuneration meets the provisions of the CBFA Regulation of 8 February 2011 concerning the remuneration policies of financial institutions, as well as the provisions of the Banking Act. The remuneration is the same for all members of the Executive Committees, with the exception of the

Chairman. In addition to the fixed annual remuneration, executive directors also benefit from three group policies (pension capital, disability, and hospitalisation insurance).

Severance pay

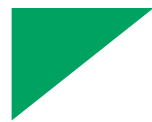
Executive directors are entitled to severance pay which, except for withdrawal of the mandate owing to serious misconduct, is equal to 18 months' remuneration. Its amount is based on the annual gross remuneration, calculated over the 24 months prior to the decision to terminate the contract, or calculated over the entire period of the mandate if less than 24 months. This compensation gradually decreases from the age of 58.

7.7 Diversity in the Boards of Directors and Executive Committees



6 out of the 15 directors at Argenta are female (43 %). In this way Argenta has met its target of having at least 30% female directors by 2020. Of the five members of the Executive Committee, two are female (40 %). In this way Argenta has met its target of having at least 30% senior executives by 2020. In 2019, Argenta signed the 'Gender diversity in the financial sector' Charter, an initiative of Women in Finance. This is a platform that brings together 34 financial institutions and advocates equal opportunities for all within the financial sector.





08

Contact data



ARGENTA



8. Contact data

8.1 Information

The annual report of Argenta Bank- en Verzekeringsgroep nv is published in Dutch, French and English. Questions related to these

reports can be directed to secretariaatdc@argenta.be or by telephone at +32 3 287 48 25.

8.2 Complaints management

If you have a complaint or comment concerning the Argenta Group's services, we request that you first get in touch with the branch where you are a customer. Our branch managers are always ready and willing to do all they can to help.

In the second instance, you can contact the Complaints Management Service of the Argenta Group:

Complaints management

Belgiëlei 49-53

B-2018 Antwerp

Tel: +32 3 285 56 45

Fax: +32 3 285 55 28

klachtenbeheer@argenta.be

8.3 Overview of Argenta companies

MANAGEMENT HOLDING COMPANY

Argenta Bank- en Verzekeringsgroep NV

Belgiëlei 49-53

B-2018 Antwerp

RPR Antwerpen

VAT BE 0475.525.276

Tel: +32 3 285 51 11

info@argenta.be

CREDIT INSTITUTION

Argenta Spaarbank NV

Belgiëlei 49-53

B-2018 Antwerp

RPR Antwerpen

VAT BE 0404.453.574

Tel: +32 3 285 51 11

info@argenta.be

INSURANCE COMPANY

Argenta Assuranties NV

Belgiëlei 49-53

B-2018 Antwerp

RPR Antwerpen

VAT BE 0404.456.148

Tel: +32 3 285 51 11

info@argenta.be

Netherlands branch office

Stadionstraat 2

NL-4815 NG Breda

Chamber of Commerce: 34193645

VAT NL812949717B01

Tel: +31 76 543 30 85

secretariaat.nederland@argenta.nl

Netherlands branch office

Stadionstraat 2

NL-4815 NG Breda

Chamber of Commerce: 68915136

VAT NL857645985B01

Tel: +31 76 543 30 85

secretariaat.nederland@argenta.nl

MANAGEMENT COMPANY

Argenta Asset Management NV RL

27, Boulevard du Prince Henri

L-1724 Luxembourg

R.C. Luxembourg B 35185

Tel.: +352 22 26 55

info@argenta.lu

MANAGEMENT COMPANY

Arvestar Asset Management NV

Guimardstraat 19

1040 Brussels (Etterbeek)

RPR Brussels 0700.529.248

info@arvestar.be





09

GRI Content Index



ARGENTA

9. GRI Content Index

The GRI Materiality Disclosure Service checks whether the General Standard Disclosures have been included in the correct place in both the GRI Content Index and the final text of this annual report.

The GRI Materiality Disclosure Service does not, however, verify the content of these disclosures. All GRI Disclosures and Topic-specific Standards below are the most recent (2016) version.

Disclosure Number	GRI standard description NL	Reference 2019 annual report	External verification
100 Universal Standards			
GRI 101 Foundation 2016			
GRI 102 General			
1. Profile of the organization		Chapter	
102-1	Name of the organization	4	✓
102-2	Primary products, activities and services	4.3 4.4 5.2	✓
102-3	Country where the head office is located	4 8.3	✓
102-4	Operational structure (list of countries where the organization operates, or that are relevant to sustainability)	4	
102-5	Nature of ownership and legal form	4	
102-6	Markets (including geographic locations where products and services are offered, sectors and types of customers).	4.3 4.4	
102-7	Scale of the organization (including total number of employees, operations, net sales, total capitalization and quantity of products or services)	3.1 3.2 6.4.3	
102-8	Total number of employees	6.4.3	✓
	- Number of employees by employment contract type (permanent or temporary) and gender		
	- Number of employees by employment contract type (permanent and temporary) and region		
	- Number of employees by type of work (full-time/half-time) and gender		
	- Please report whether a substantial part of the work of the organization is performed by people who are not employees. If applicable, the nature and extent of the work done by non-Argenta employees.		

	- Report any significant variations in employment numbers.		
	- Please explain how the data were collected including assumptions.		
102-9	A description of the supply chain, including the main elements relating to activities of the organization, primary brands, products and services.	4 6.4.1 6.4.4	
102-10	Significant changes during the reporting period regarding the organization's size, structure, ownership or its value chain.	2 4	
	- Changes in the location of, or changes in operations, including openings, closings and expansions.		
	- Changes in the share capital structure and other assets		
	- Changes in the location of suppliers, the structure of the value chain, or in relationships with suppliers, including selection and termination.		
102-11	Information on the application of the precautionary principle at Argenta	6.5.2	
102-12	Externally developed economic, environmental and social charters, principles or other initiatives to which the organization subscribes or which it has endorsed	6.4.4	
102-13	An overview of key memberships in associations (such as professional associations) or national/international advocacy organisations	6.4.4	
2. Strategy			
102-14	Statement by the Chairman of the Board of Directors about the relevance of sustainability to the organization and to its strategy for addressing sustainability	1 6.5.2 7.3	
102-15	Description of key impacts, risks and opportunities.	6.5.2	
3. Ethics and integrity			
102-16	Overview of the organization's values, principles, standards and norms of behaviour, such as dress codes and ethical codes	6.4.5	✓
102-17	Report internal and external mechanisms for reporting:	6.4.5 8.2	✓
	- unethical or illegal behaviour (e.g. help lines or advice lines)		
	- Issues that impact organizational integrity (e.g. escalation to line management, whistle-blower mechanisms and hotlines)		
4. Governance			
102-18	Report the following information:	7	

	<ul style="list-style-type: none"> - Governance structure of the organization, including committees of the highest governance body - Committees responsible for decision-making on economic, environmental and social issues 		
102-21	Process for consultation between stakeholders and the highest governance body on economic, ecological and social topics. If consultation is delegated, describe the feedback process to the highest governance body.	6	✓
102-22	Composition of the highest governance body and its committees:	6.4.3	
		7	
	- Executive or non-executive		
	- Independence		
	- Duration of mandates		
	- Other important positions and commitments per person and the nature of these commitments		
	- Gender		
	- Membership of underrepresented groups in society		
	- Competences in the field of economic, social and environmental issues		
	- Stakeholder representation		
102-24	Nomination and selection process for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members (diversity, independence, knowledge and experience relating to economic, environmental and social topics, how stakeholders (including shareholders) are involved.)	7	

5. Stakeholder Engagement

102-40	List of the organization's stakeholder groups	6.2	✓
102-41	Percentage of employees covered by collective bargaining agreements	6.4.3	✓
102-42	Basis for identification and selection of stakeholders with whom to engage	6.2	✓
102-43	The organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of this engagement was undertaken as part of the preparation of the Sustainability Report	6.2	✓
102-44	Key topics and concerns that have come up through stakeholder engagement, and how the organization has responded (including through its reporting). Report the stakeholder groups that raised each of the key topics and concerns.	6.2	✓

6. Reporting

102-45	List of the entities included in the organization's consolidated financial statements (or equivalent documents)	4 6.6	✓
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	List of the entities that are not included in the sustainability report compared with the entities in the consolidated financial statements (or equivalent)		
102-46	Process for defining the report content and topic boundaries	6.6 6.2	✓
	Explain how the reporting principles have been implemented in defining report content.		
102-47	List the material aspects identified in the process of defining report content.	6.2	✓
102-48	Reformulation of information provided in previous reports, and the reasons	6.6	✓
102-49	Significant changes from previous reporting periods in the list of material topics and topic boundaries.	6.6	✓
102-50	Reporting period	6.6	✓
102-51	Date of most recent previous report	6.6	✓
102-52	Reporting cycle	6.6	✓
102-53	Contact person	8	✓
102-54	Reporting in conformity with GRI standards	6.6	✓
102-55	The GRI reference table in which each of the GRI standards is included and an overview of all the disclosures in the report is displayed.	9	✓
102-56	A description of the organization's policies and current practices regarding the external validation of the report.	6.6	✓
	Where the report has been validated externally, the following items are included:		
	- A reference to the external report, the statements or opinions. If not included in the assurance report accompanying the sustainability report, a description of what has and what has not been assured and on what basis, including the assurance standards used, the level of assurance obtained, and any limitations of the assurance process;		
	- The relationship between the organization and the assurance provider;		
	- Whether and how the highest governance body or senior executives are involved in seeking external assurance for the organization's sustainability report.		
200 Economic Indicators			
GRI 201 : Economic performance indicators			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	3	
103-3	Assessment of the management approach	3	
201-1	Direct economic value generated and distributed	3	

GRI 202 : Market presence			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	5	
103-3	Assessment of the management approach	5	
202-1	Ratio of the entry-level wage with the local minimum wage at significant locations of operation.	6.4.3	
GRI 203 : Indirect economic impact			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	3	
103-3	Assessment of the management approach	3	
203-1	- The extent of the development of significant investments in infrastructure and services - The current or expected impacts on communities and the local economy, including positive and negative impacts where relevant. - Whether these investments and services are commercial, in-kind, or pro bono engagements.	5.2.1 6.4.2 6.4.4	✔
GRI 205 : Anti-corruption			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	6.4.5	
103-3	Assessment of the management approach	6.4.5	
205-1	Total number and percentage of operations analysed for risks related to corruption.	6.4.2 6.4.4 6.4.5	✔
300 Climat			
GRI 305 : Emissions			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	6.4.1	
103-3	Assessment of the management approach	6.4.1	
305-1	Total direct greenhouse gas emissions (scope 1) in tons of CO ₂ , including specifying the base year used for the calculation, origin of the data, GWP ratios used	6.4.1	✔
305-2	Total direct greenhouse gas emissions (scope 2) in tons of CO ₂ , including specifying the base year used for the calculation, origin of the data, GWP ratios used.	6.4.1	✔
305-3	Other relevant indirect greenhouse gas emissions (scope 3) in tons of CO ₂ , including specifying the base year used for the calculation, origin of the data, GWP ratios used.	6.4.1	✔


305-4	Intensity of greenhouse gas emissions, including the organization-specific metric (the denominator) chosen to calculate the ratio, the types used to calculate greenhouse gas emissions, namely direct (scope 1), energy indirect (scope 2), and/or other indirect (scope 3), the gases that are included in the calculation.	6.4.1	✓
305-5	Reduction in greenhouse gas emissions in tons of CO ₂ , including specifying the base year used for the calculation, the scope in which the reductions took place, and methodologies used.	6.4.1	✓
400 Social performance indicators			
GRI 401 : Employment			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	6.4.3	
103-3	Assessment of the management approach	6.4.3	
401-1	Total number and rate of employee turnover by age group, gender and region	6.4.3	✓
GRI 402: Labour relations			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	6.4.3	
103-3	Assessment of the management approach	6.4.3	
402-1	Minimum notice period(s) in respect of operational changes, including whether this is specified in collective agreements	6.4.3	
GRI 404: Training and Education			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	6.4.3	
103-3	Assessment of the management approach	6.4.3	
404-1	Average hours of training per year per employee by employee category and gender	6.4.3	✓
404-3	Percentage of employees receiving regular performance and career development information.	6.4.3	✓
GRI 405: Diversity and equal opportunity			
103-1	Disclosure of the materiality of the subject and its scope	6.2	
103-2	Management approach and its components	6.4.3	
103-3	Assessment of the management approach	6.4.3	
405-1	Composition of governance bodies and breakdown of employees according to gender, age group, minority group membership and other diversity indicators.	6.4.3 7	✓

GRI 406: Non-discrimination		
103-1	Disclosure of the materiality of the subject and its scope	6.2
103-2	Management approach and its components	6.4.3
103-3	Assessment of the management approach	6.4.3
406-1	Total number of incidents of discrimination and measures taken	There were no known cases of discrimination on 2019.

GRI 417: Product and service labelling		
103-1	Disclosure of the materiality of the subject and its scope	6.2
103-2	Management approach and its components	5.2
103-3	Assessment of the management approach	5.2
417-1	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	Argenta's product sheets are available on the website in Dutch and French.

GRI 418: Customer data privacy		
103-1	Disclosure of the materiality of the subject and its scope	6.2
103-2	Management approach and its components	6.4.5
103-3	Assessment of the management approach	6.4.5
418-1	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	6.4.5 

Financial Sector Supplement

GRI 413: Local community		
103-1	Disclosure of the materiality of the subject and its scope	6.2
103-2	Management approach and its components	5.2
103-3	Assessment of the management approach	5.2
FS14	Initiatives to improve access to financial services for socially disadvantaged persons.	5.2 

GRI 417: Product and service labelling		
103-1	Toelichting bij de materialiteit van het onderwerp en zijn toepassingsgebied.	6.5
103-2	Managementbenadering en zijn componenten.	5.2
103-3	Evaluatie van de managementbenadering.	5.2

FS6	Percentage van portfolio per businesslijn per regio, grootte en sector.	3
FS7	Monetary value of products and services developed in order to obtain specific social benefits by business line and goal	5
FS10	Percentage and number of companies in the business portfolio with which the reporting organization has communicated with regard to environmental and social issues. External partners have all subscribed to the United Nations Principles for Responsible Investment (UN PRI).	6.4.2
FS11	Percentage of assets that have undergone positive or negative environmental and social screening.	6.4.2 6.4.4

10. Appendix

Employees and engagement

EQUAL OPPORTUNITIES POLICY AND DIVERSITY

In 2019, the Argenta workforce was 50.6 % female and 49.4 % male.

	2017		2018		2019	
Distribution by gender						
	Full-time	Part-time	Full-time	Part-time	Full-time	Part-time
Male	456	36	480	41	505	41
Female	345	205	343	221	344	216

The number of persons in senior executive (directie) functions (executive committee members and directors) at the end of 2019 was 35. The composition (male/female and per age) changed slightly.

	2017	2018	2019
Number of senior executive positions in the Argenta Group			
Number of men	22	24	23
Age 30-50	12	12	11
> 50	10	12	12
Number of women	13	11	12
Age 30-50	7	6	6
> 50	6	5	6

In addition, Argenta had 128 senior managers (leidinggevend), 82 of whom were men and 46 were women at the end of 2019.

LEARNING AND DEVELOPMENT (# TRAINING, TRAINING HOURS ...)

	2017	2018	2019
Male employees			
Total training hours	23,625	23,297	24,117
Total number	493	521	546
Total average training hours	48	45	44
Female employees			
Total training hours	18,632	21,961	23,500
Total number	549	564	560
Total average training hours	34	39	42
Male and female employees			
Total training hours	42,257	45,258	47,617
Total employees BE, NL, LUX	1,042	1,085	1,106
Total average training hours	41	42	43

Sustainability survey

Ethics and integrity

- 1) Fair sales methods, honest advertising, product transparency
- 2) Correct and transparent wage policy, no bonus culture
- 3) Combating corruption, fraud and money laundering
- 4) Ethical conduct by Argenta employees

Social responsibility

- 11) Sustainable partners
- 12) Investment in local, tangible projects
- 13) Divestment from oil, gas and coal

Ecological impact

- 5) Sustainable mobility policy
- 6) Transparency of the environmental impact of investments
- 7) Argenta operates paper-free

Customer care

- 8) Argenta's closeness to customers and personal approach
- 9) Both digital and local accessibility
- 10) Sustainable product range and specialised advice

Responsibility for our employees

- 14) Collaborative culture is more important than short-term profit
- 15) Room for internal entrepreneurship
- 16) Attention to well-being at work

The items at the bottom left of the graph are those that Argenta stakeholders regard as less relevant in the context of sustainability. The items in the top right are considered crucial and Argenta will focus on these.







Argenta Bank- en Verzekeringsgroep nv

Belgiëlei 49-53

B-2018 Antwerpen

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