



Argenta Spaarbank

Belgian Mortgage Pandbrieven Programme

Investor Presentation

September 2021



COVERED BOND
• L A B E L •
HTT



Executive Summary

Argenta

- Argenta Bank- en Verzekeringsgroep N.V. ('Group') provides **retail banking and insurance services** in Belgium and the Netherlands
- Argenta Spaarbank N.V. ('Aspa') is a wholly owned subsidiary of the Group and is the **5th largest bank in Belgium** with a total balance sheet size of EUR 47.8bn at H1 2021
- Aspa's fully loaded CET1 ratio was 22.7% as of H1 2021 and it has an **A- long-term issuer credit rating by S&P**

Belgian Residential Mortgage Pandbrieven Programme

- On-balance sheet structure where the cover assets are legally segregated in an **on-balance 'special estate'**
- **Dual recourse** to the issuer and to the cover assets
- **Supervision** by the **National Bank of Belgium** and the **Cover Pool Monitor**
- **AAA expected covered bond rating by S&P**, with **soft bullet** maturity extension format
- The covered bonds under the programme are **UCITS 52(4)** compliant, **CRR Art. 129** compliant and **LCR level 1** eligible
- The covered bonds are also expected to be **CBPP3 and ECB repo eligible**
- ECBC Covered Bond Label Compliant

Belgian Residential Mortgage Cover Pool

- High quality **Belgian residential mortgage loans**, originated by Argenta Spaarbank N.V.
- Average outstanding loan balance of EUR 86,584
- Weighted average **Current Loan To Current Value** ("CLTCV") of 58.44%



Agenda

1. Argenta Spaarbank
2. Belgium and its Mortgage Market
3. Underwriting & Servicing – Belgian Mortgages
4. Belgian Residential Mortgage Pandbrieven Programme
5. Wrap Up

Annex

- a) Belgian Covered Bond Legal Framework
- b) Mortgage Loan Stratifications
- c) Belgian Mortgage Loan Prepayments
- d) Glossary



1. Argenta Spaarbank

Company History

Foundation of Argenta

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

Argenta Assuranties

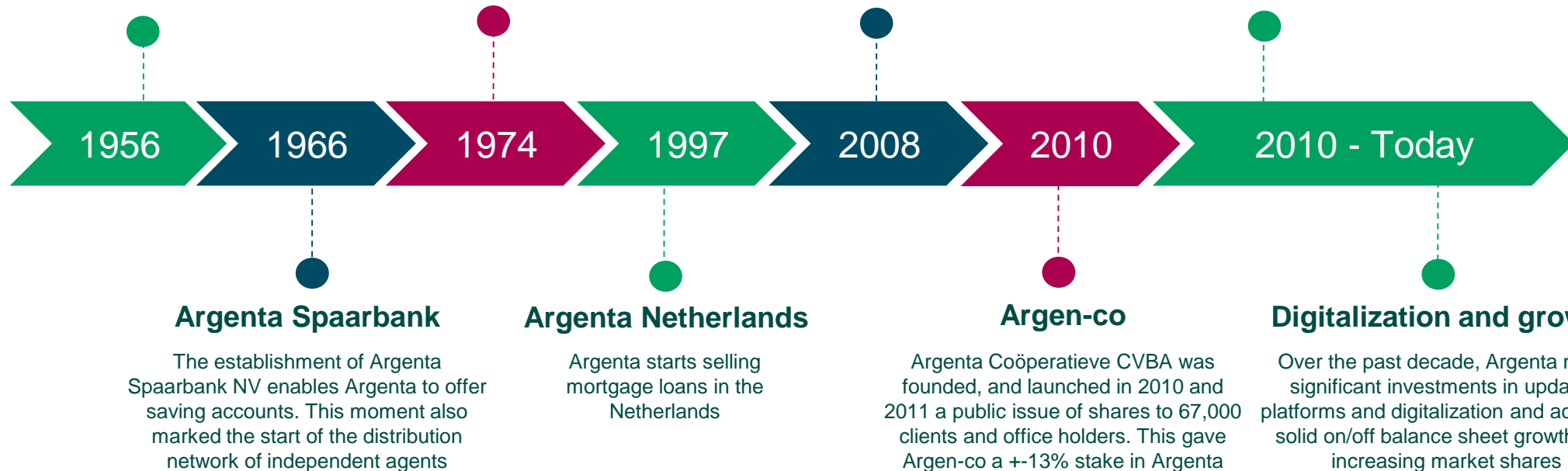
Argenta Assuranties NV was established, enabling Argenta to offer life and fire insurances. Bankassurance was a fact

Financial crisis

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

65 years of Argenta in 2021

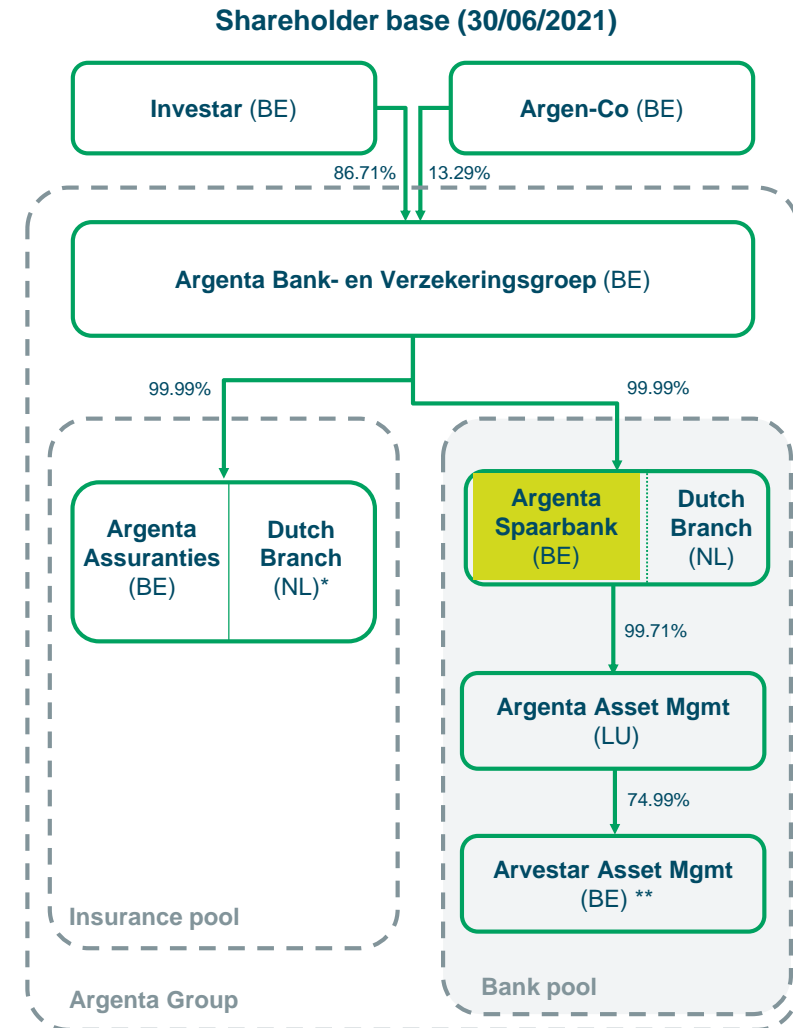
Argenta celebrates its 65th anniversary, Argenta's strong cultural values of simplicity, transparency, honesty and sustainability continue to support a unique customer experience for its clients



Full-Fledged Retail Bank-Insurer

A Transparent Group Structure

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



* Liquidated September 2021

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

Simple and Easy to Understand Business Model



- Integrated bank-insurance business model focussed on fruitful long-term relationships with its retail clients, employees, tied agents, family shareholders and investors
- Offering simple and transparent bank and insurance products
- Broad reach through a strong network of independent agents in Belgium exclusively operating for Argenta, third party distribution in the Netherlands
- Unrivalled levels of customer satisfaction, loyalty and brand strength:
 - Consistently high NPS score of 40% or more
 - First place in customer satisfaction survey of consumer organization, Argenta being the only universal bank at the ranking top (Test Aankoop, September 2021)
 - First open banking partnership with Cake now live and already >70k clients signed up
 - Argenta's pension savings fund won the gold award again in the prestigious Fund Awards from De Tijd/L'Echo, March 2021
 - App with strong focus on a simple user interface (4.5/5, top 3 ranking of Belgian banks in both app stores), confirmed by 20% YoY growth in active app users
- Integrated operating model creating cost synergies and efficiencies

(1) 30/06/2021 (2) 31/03/2021

Argenta Spaarbank Soundly Embedded in Argenta Group

Argenta Group H1 2021 (in EUR)

Net result	103.9 m
Return on Equity ¹	9.2%
Total assets	54.7 bn
Total equity	3.2 bn
Cost / Income ¹	54.2%
Total funds under mgmt	55.6 bn
CET 1	23.1%

Argenta Spaarbank

Net result	53.5 m
Return on Equity ¹	7.5%
Total assets	47.8 bn
Total equity	2.3 bn
Cost / Income ¹	61.1%
Total funds under mgmt	49.8 bn
CET 1	22.7%

Credit Rating

Standard & Poor's

Short-term	A-2
Long-term	A-
Outlook	Stable

Argenta Assuranties²

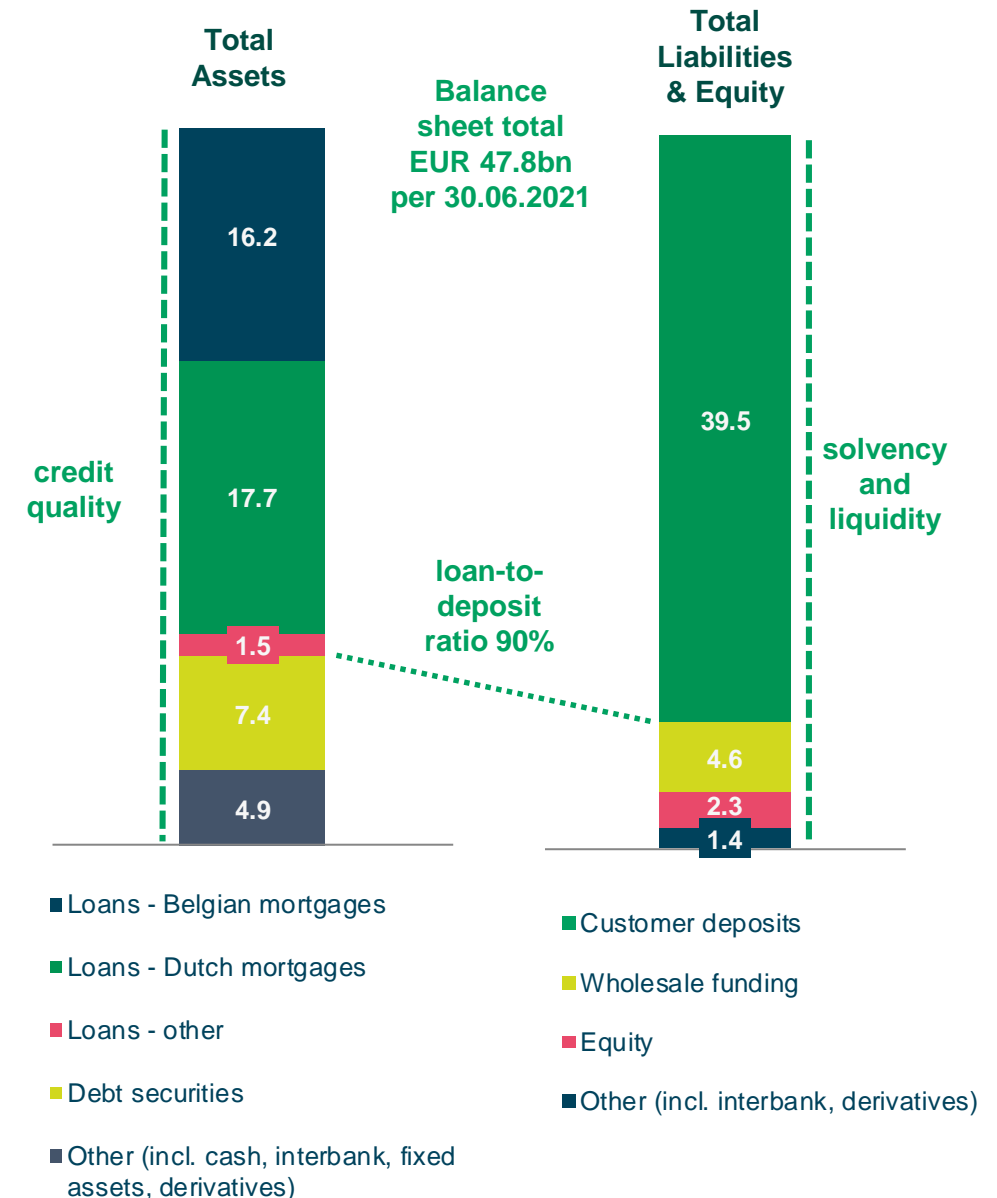
Net result	48.7 m
Return on Equity	17.4%
Total assets	6.8 bn
Total equity	0.6 bn
Premium Life ³	203 m
Premium Non-life	96 m
Solvency II	240%

Financial Objectives on Key Parameters

Argenta Spaarbank	31/12/2020	30/06/2021	LT Target
Return on Equity ¹	6.4%	7.5%	>7%
Leverage Ratio	4.9%	4.8%	>5%
Cost / Income Ratio ¹	63%	61%	<60%
CET 1 Ratio	23.3%	22.7%	>18%
Total Capital Ratio	28.5%	22.7%	>20%
Net Interest Margin (NIM)	1.28%	1.21%	>1.35%
NSFR	136%	146%	>132%
LCR	159%	160%	>137%

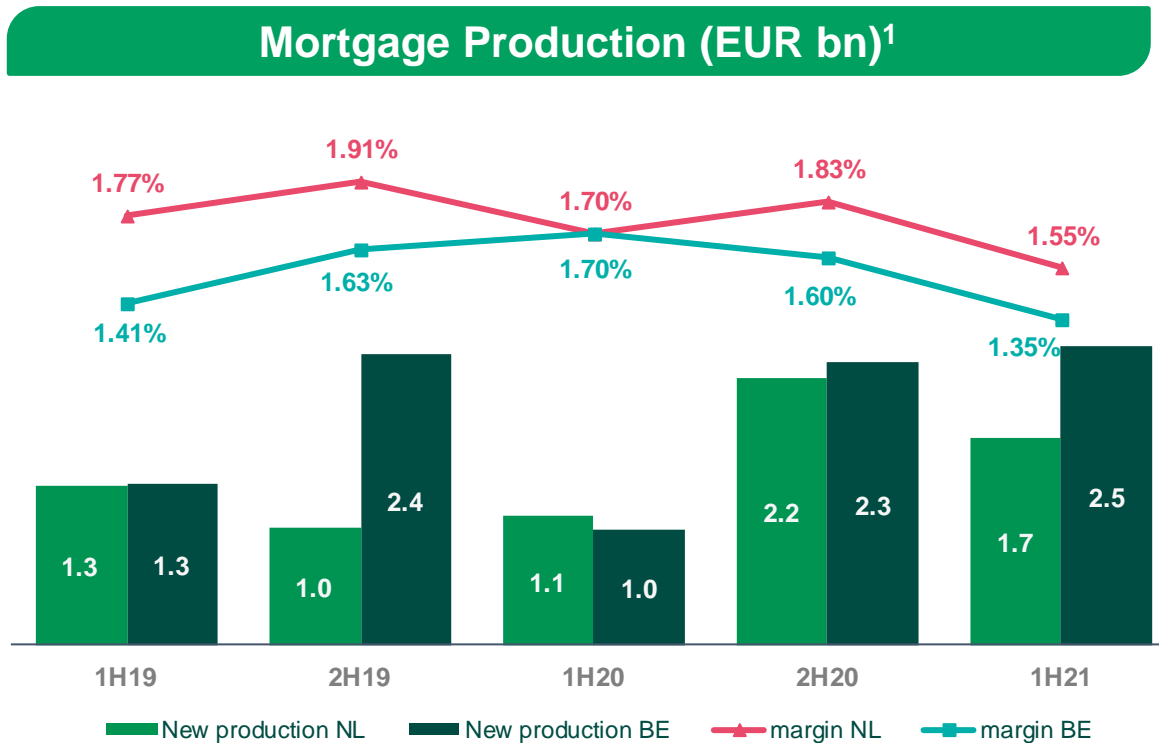
Balance Sheet Composition

- Balanced growth of assets between a low-risk loan book of prime retail mortgage loans in the Netherlands and Belgium, and a well diversified and conservative investment portfolio
- Loan portfolio of 1.1bn granted to local authorities and public-private partnerships
- Strong retail funding profile with a loan-to-deposit ratio of 90%
- Wholesale funding: EUR 4.6bn (+ EUR 1bn YoY):
 - EUR 2.6bn securitizations
 - EUR 0.5bn SP
 - EUR 1bn SNP
 - EUR 0.5bn covered bond.
- In 2021 Argenta Spaarbank successfully issued its inaugural Belgian Covered Bond (EUR 0.5bn) in February and a Dutch RMBS (Green Apple 2021 – I, EUR 0.65bn) in June



Mortgage Production and Margins

H1 2021

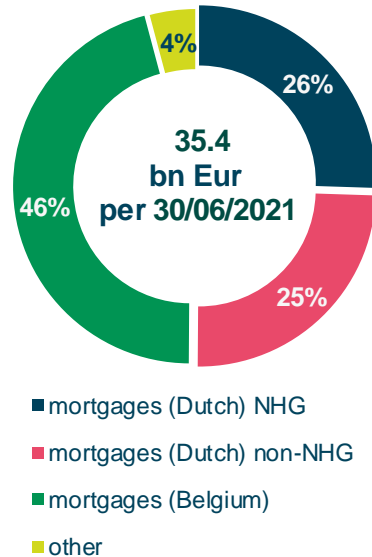


- EUR 4.2bn loans granted in the first half of 2021 to the Belgian and Dutch households
- Continuing high production post Covid-19 lockdown of H1 2020; rally in housing prices and loose monetary policy keep mortgage production at elevated levels
- Declining margins in both Belgium and the Netherlands as a result of strong competition, the persistent low interest rate environment and higher prepayments in the Netherlands

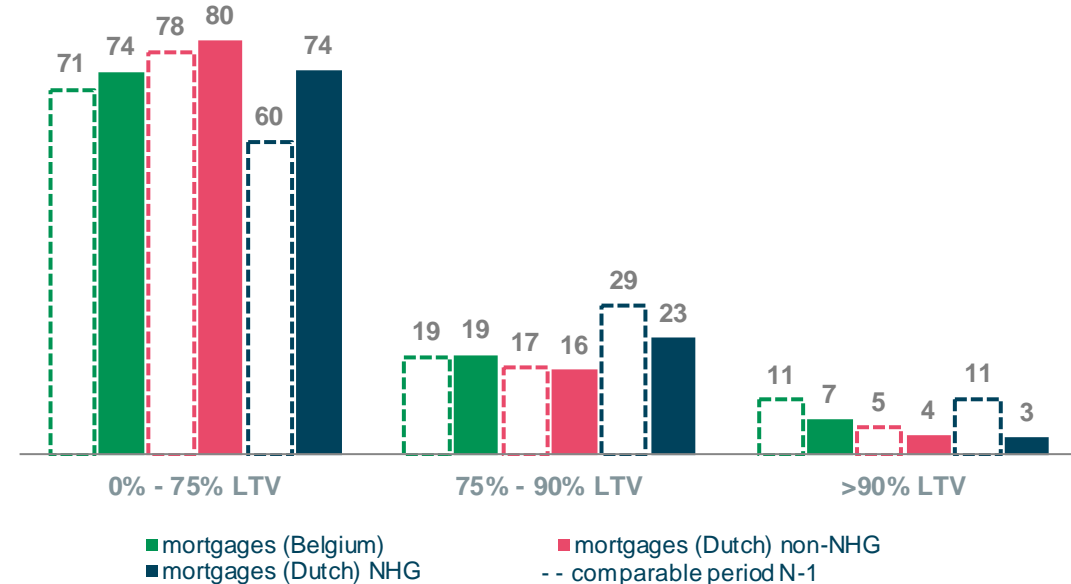
High-Quality Loan Book

H1 2020

Composition of Loan Book



Indexed Loan to Value Mortgage Loan Book

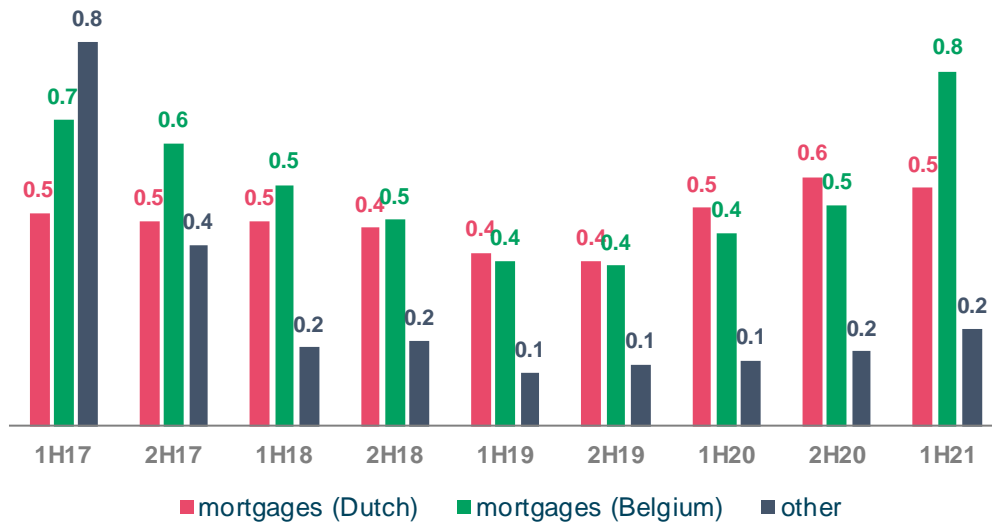


- The residential mortgage loan portfolio in Belgium and the Netherlands composes 96% of the loan book. The remaining 4% consists of consumer loans and loans to local and regional governments and public-private partnerships.
- The share of NHG¹ loans in the Dutch mortgage portfolio continued to decrease in H1 2021 from 55% to 51%.
- Compared to H2 2020 the average LTV dropped for Belgian and Dutch mortgages, resp. to 57% and 60% (coming from 60 and 63%). The total portfolio LTV decreased from 61% to 59%.

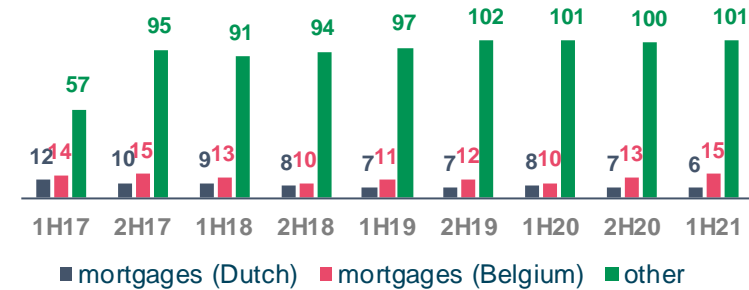
Low Risk Loan Portfolio

H1 2021

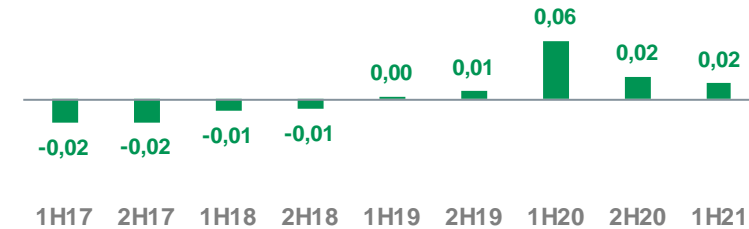
Non-Performing Loan Ratio (%)



Coverage Ratio⁽¹⁾ (%)



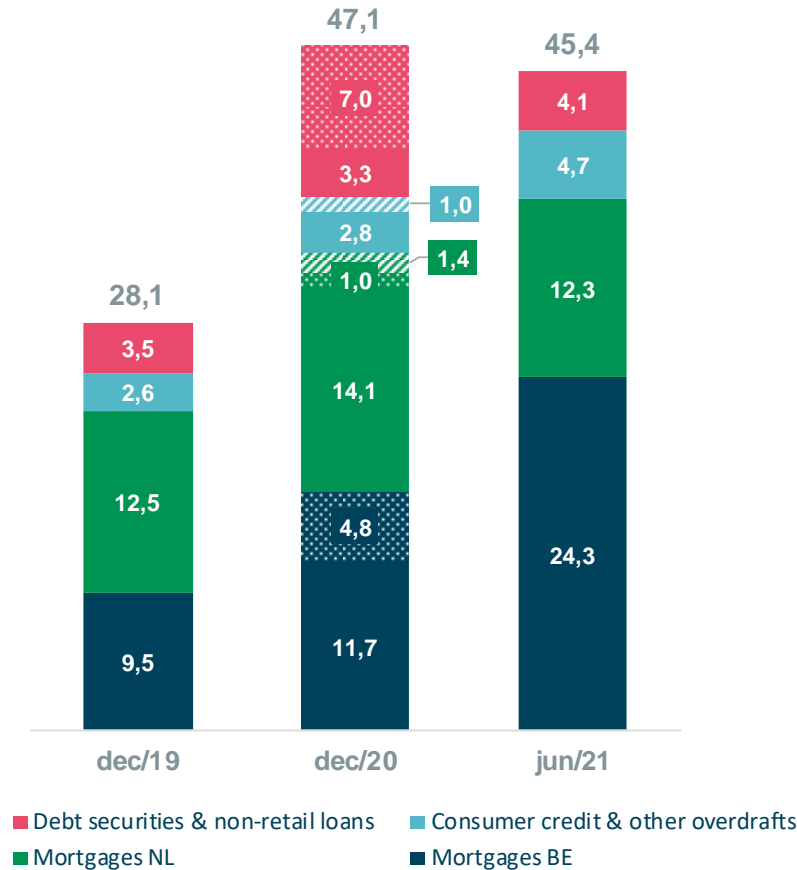
Cost of Risk⁽²⁾ (%)



- Additional forbearance measures in the Belgian Mortgage Book following the COVID-19 crisis result in a slightly higher average NPL ratio of 0.65% (+13bp since end of 2020). Overall, the quality of the mortgage loan book remains high
- The average coverage ratio of 13% reflects the high quality of prime mortgage collateral
- Cost of risk remains low and stable compared to end of 2020 at 1.6bp and lower than the COVID-19 related rise in H1 2020

Impairments

Impairment Volumes (EUR m)



Dotted areas represent COVID-19 impact ¹
 Shaded areas represent impact DoD changes

Total decrease in IFRS-9 provisions of EUR 1.7m in H1 2021

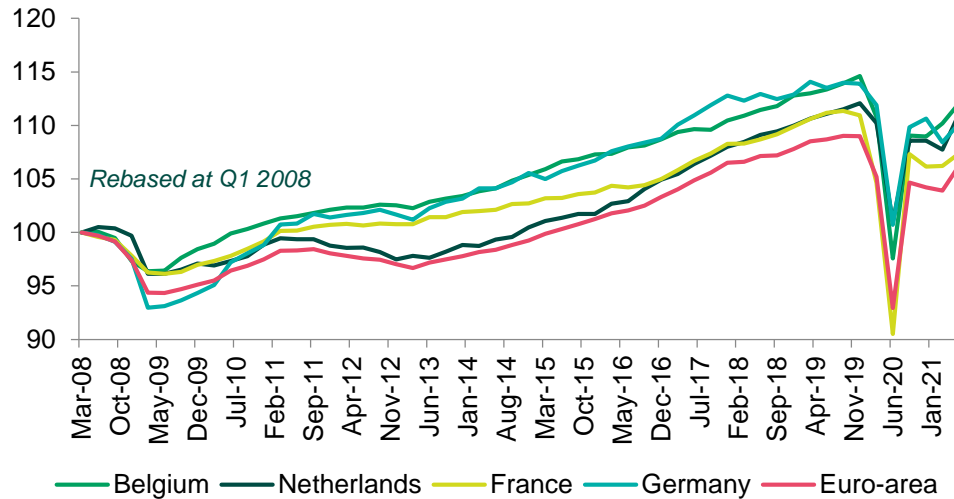
- Higher impairments on Belgian mortgages (EUR +7.8m) mainly due to higher forbearance
- Lower impairments on Dutch mortgages (EUR -4.2m) following favourable macro-economic revision
- Higher impairments on consumer loans (EUR +0.9m) in line with the portfolio growth (+22%)
- Lower impairments on the investment portfolio (EUR -6.2m) resulting from favourable macro-economic expectations and rating upgrades on impaired positions



2. Belgium and its Mortgage Market

GDP & Unemployment Rate

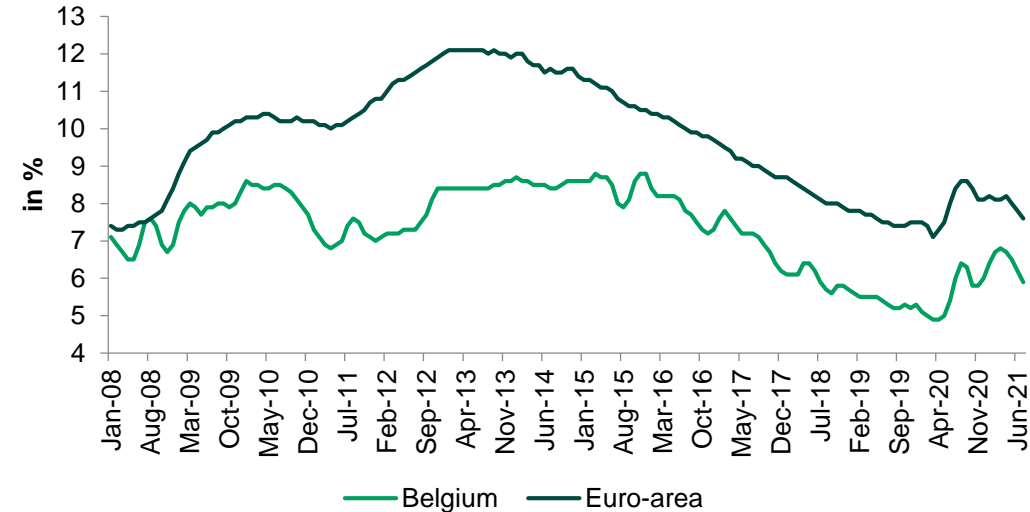
GDP Evolution since 2008



Source: Eurostat, SA Real GDP

- The Belgian economy grew by 1.7% QoQ in the second quarter
- The Bloomberg median consensus forecast is 5.1% YoY for 2021 and 3.4% YoY for 2022

Unemployment Rate

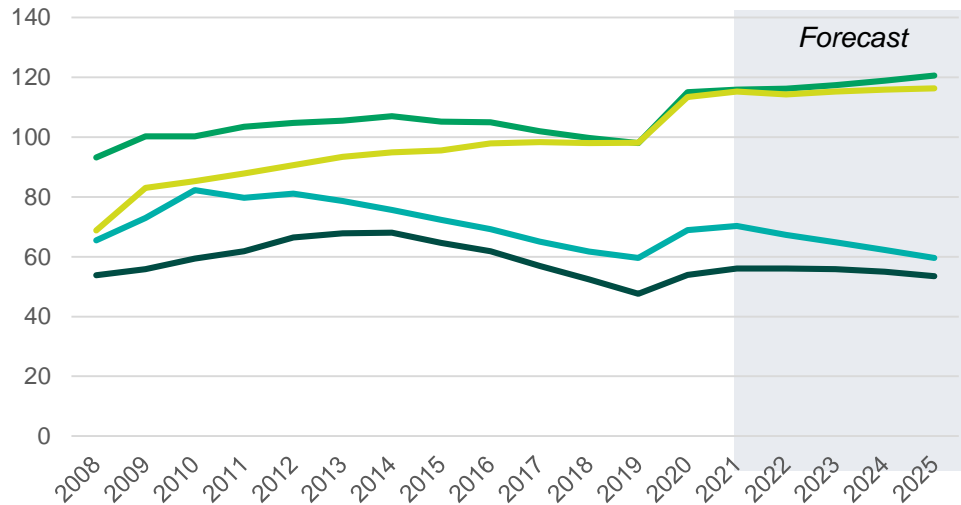


Source: Eurostat

- The Belgian unemployment rate has over the past decade been well below the Euro Area average
- With the economy reopening, unemployment is coming down

Government Debt and Household Debt

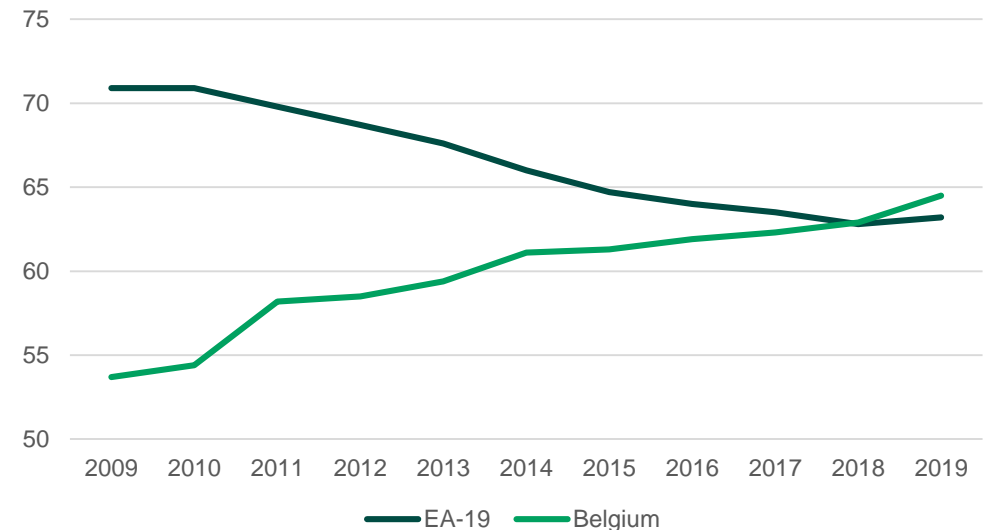
Gross Government Debt as % of GDP



Source: IMF

- Belgian Debt to GDP-ratio increased to 115% as a result of the Covid-19 Crisis and it is expected to slightly increase further in the coming years

Household Debt as % of GDP

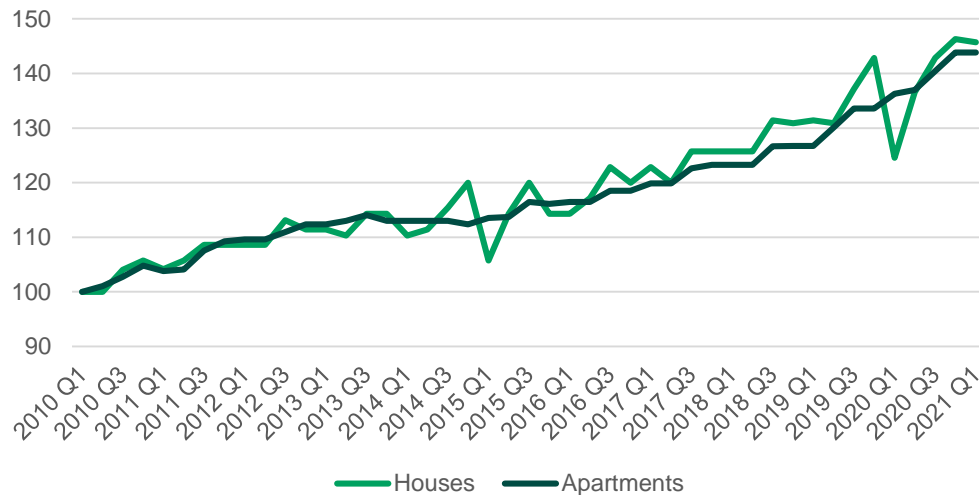


Source: Eurostat

- The Belgian household debt-ratio increased from 54% in 2009 to 65% in 2019, bringing it more in line with the Euroarea-19 average
- Given the low interest rates, the impact on client affordability is limited

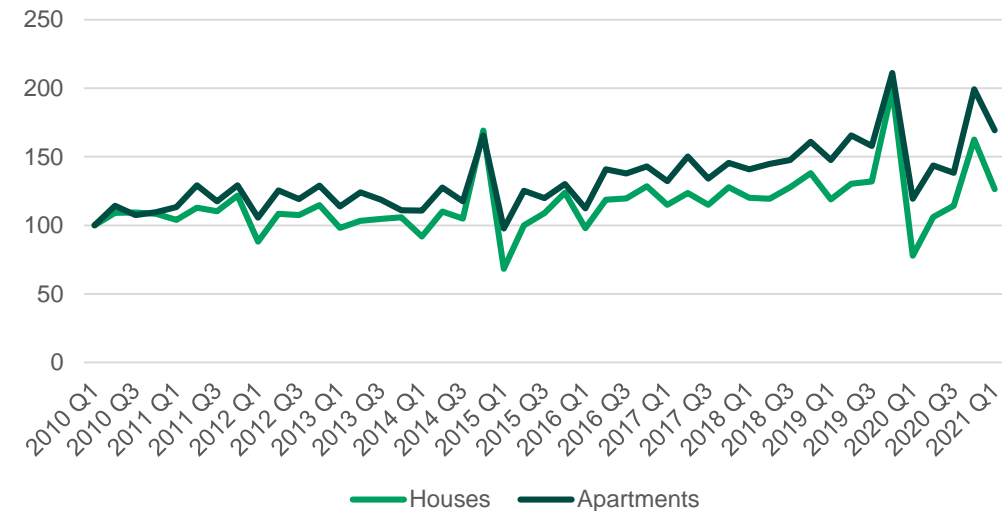
Belgian House Prices and number of transactions

Property Price Evolution



Source: Statbel.fgov

Number of Transactions Residential Real Estate

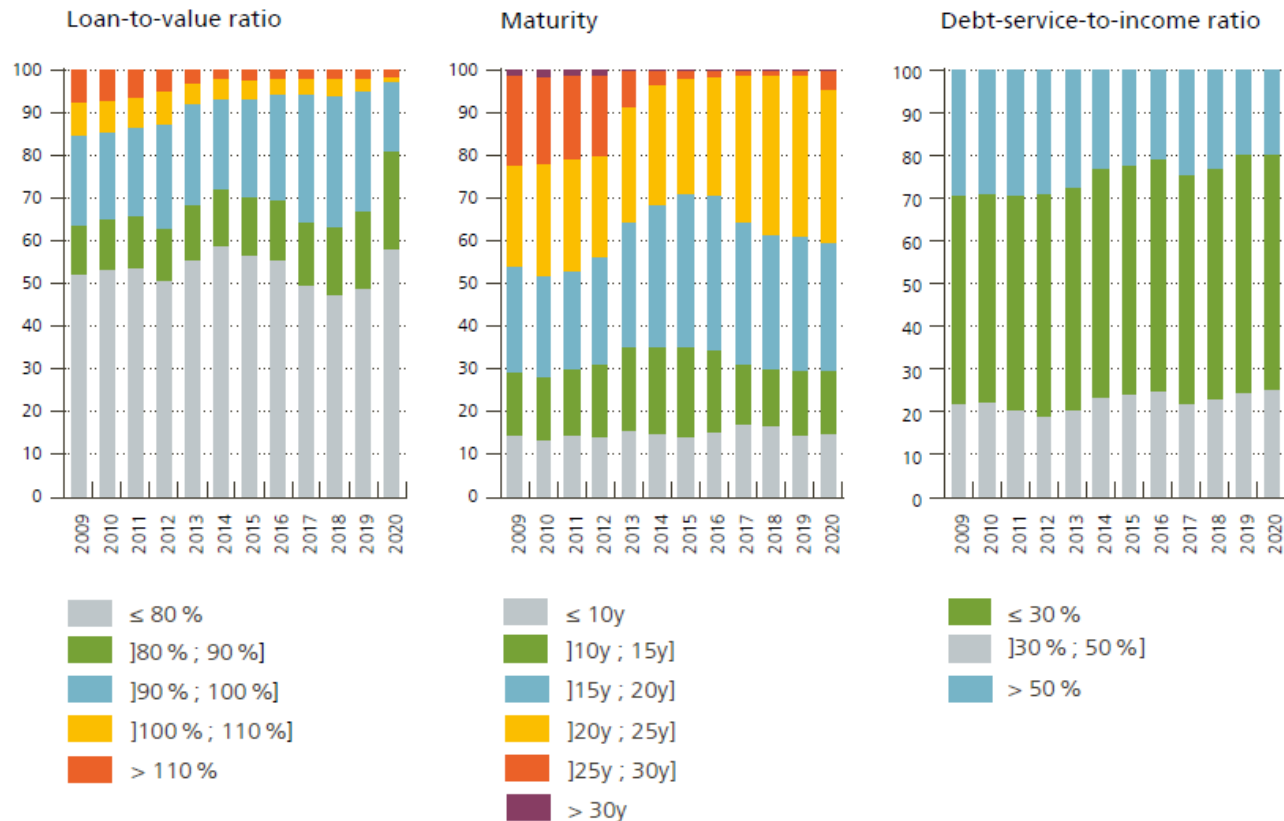


Source: Statbel.fgov

- The median property prices have increased steadily since 2010 on the back of scarcity of land availability and high levels of property ownership in Belgium
- A normalisation in the price evolution is seen in 2021, after the volatility following the Covid-19 crisis
- The fall in the number of transactions at the beginning of the Covid-19 outbreak was soon followed by a sharp increase in demand following the reopening of the market. In 2021, the level of transactions returned to more historic levels

Underwriting Characteristics

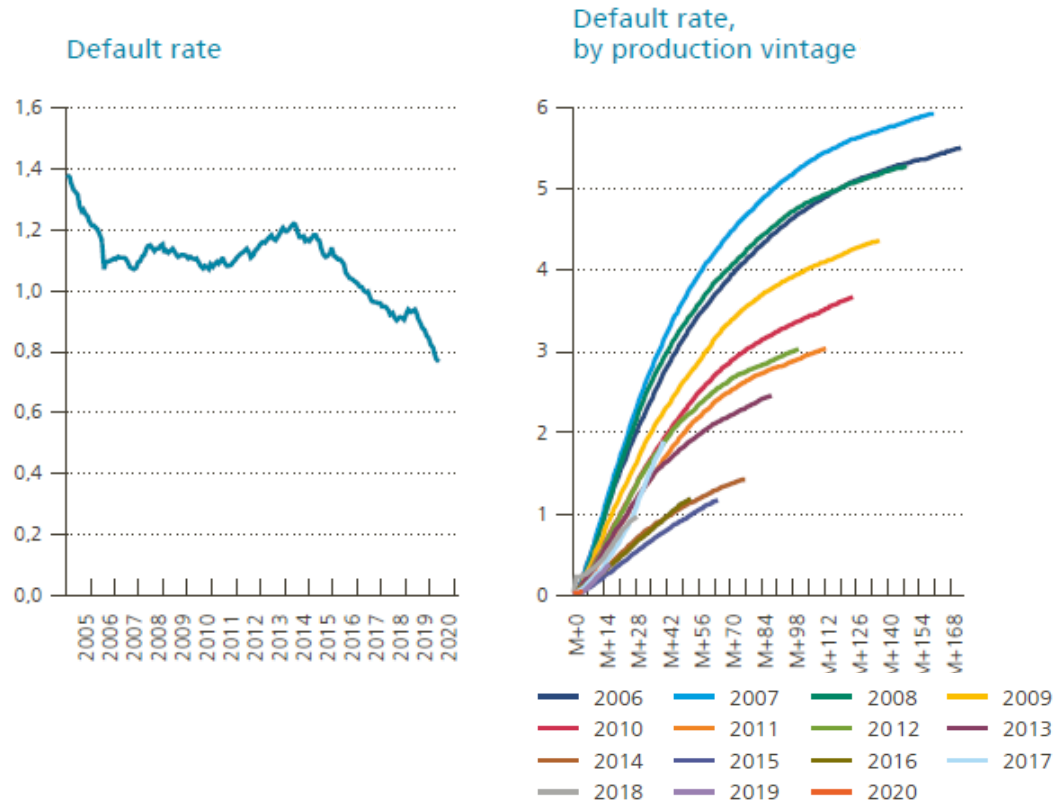
Developments in Credit Standards for New Mortgage Loans (% of total loans granted during a particular vintage)



- Belgian lenders have become more prudent on high loan-to-value ratios over the past decade
- New requirements of the NBB (slide 23) will likely lead to a further tightening of credit standards on the loan-to-value criterion
- Mortgage loans with a maturity > 25 years are only rarely offered
- The debt-service-to-income ratio has been relatively stable over time (median +/- 20%)

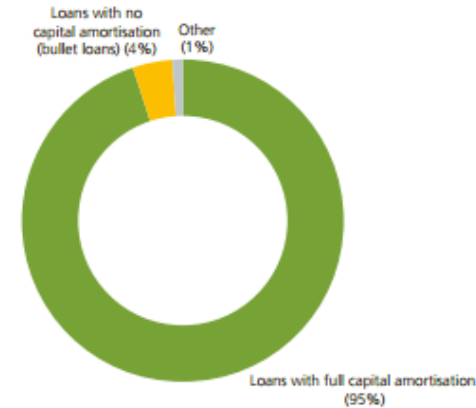
Payment Defaults and Outstanding Mortgage Loans

Mortgage loans with payment defaults

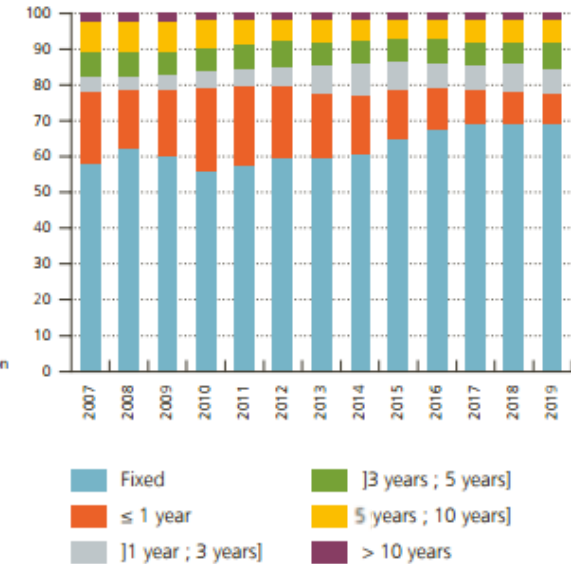


Breakdown of outstanding mortgage loans (percentages of total outstanding loans)

By capital amortisation type (end 2019)



By interest rate type





3. Underwriting & Servicing

Belgian Mortgages

Underwriting Criteria for Belgian Mortgages

Repayment Criteria⁽¹⁾

Available Income (AVI)

The AVI is the difference between net income and financial costs:

- The full financial situation must be known when assessing the loan application
- All income (wages, rental income, additional fee, etc.) must be demonstrated and expenditures declared
- AVI: min EUR 1,000 for single applicants
- AVI: min EUR 1,350 for families

Debt Service to Income (DSTI)

- Income < EUR 1,500 → DSTI max 35 %
- Income < EUR 2,500 → DSTI max 40 %
- Income < EUR 3,500 → DSTI max 45 %
- Income ≥ EUR 3,500 → DSTI max 50 %

LTV⁽¹⁾

Loan to Value

- In general max 100% → lower max of 80% for certain categories like investment properties and bridge loans
- Requirements NBB (see slide 23)

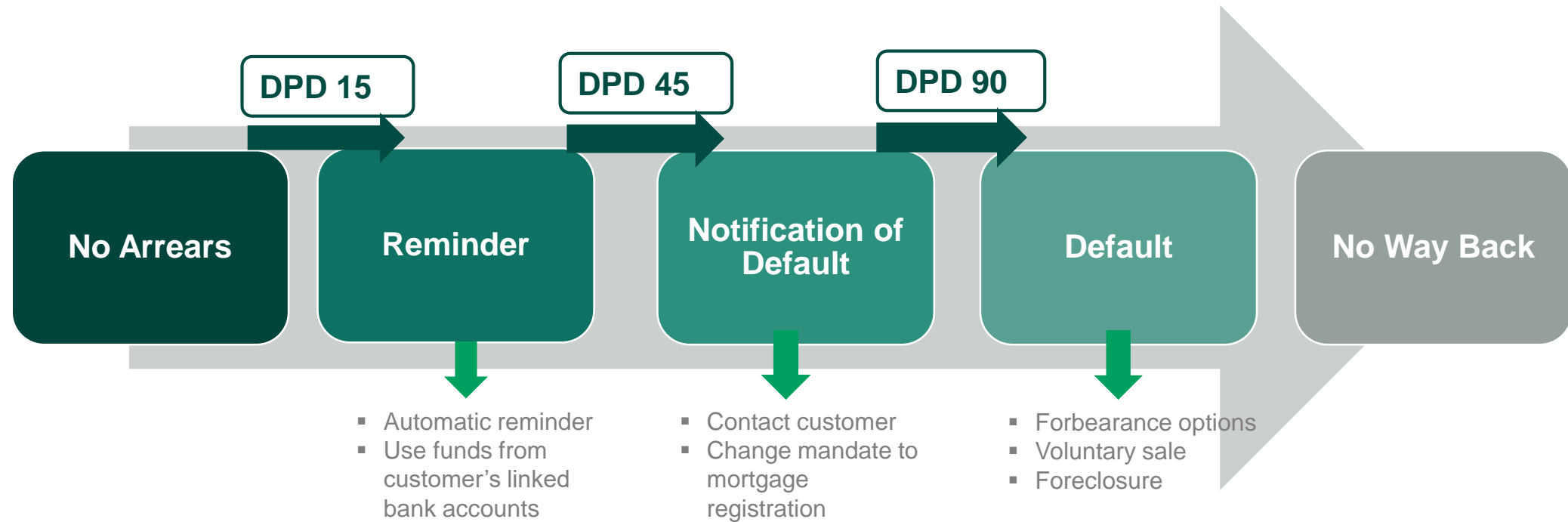
- Collateral is always located in Belgium

NBB – New Guidelines

- As of 1/01/2020, the NBB has announced new prudential guidelines for Belgian banks and insurance companies that grant mortgage loans
- More cautious about granting loans with a very high loan-to-value ratio (particularly Buy-to-Let)
- The NBB has set thresholds for a series of indicators to serve as benchmarks for granting a mortgage loan
- Argenta submits an annual report approved by the management committee and the board of directors, confirming that they meet the guidelines of the NBB

Guidelines			
	Type of Loan	Threshold	Tolerance Margin ⁽¹⁾
LTV Limits ⁽²⁾	Buy-to-Let	80%	10% (with 0% > 90%)
	Owner Occupied	90%	First Time Buyers: 35% (max 5% > 100%) Other: 20% (with 0% > 100%)
Limits for Pockets of Risk ⁽²⁾	All Loans	LTV > 90% and DSTI > 50%	5%
		LTV > 90% and DTI > 9	5%

Arrears / Default Management (1/2)



Arrears / Default Management (2/2)

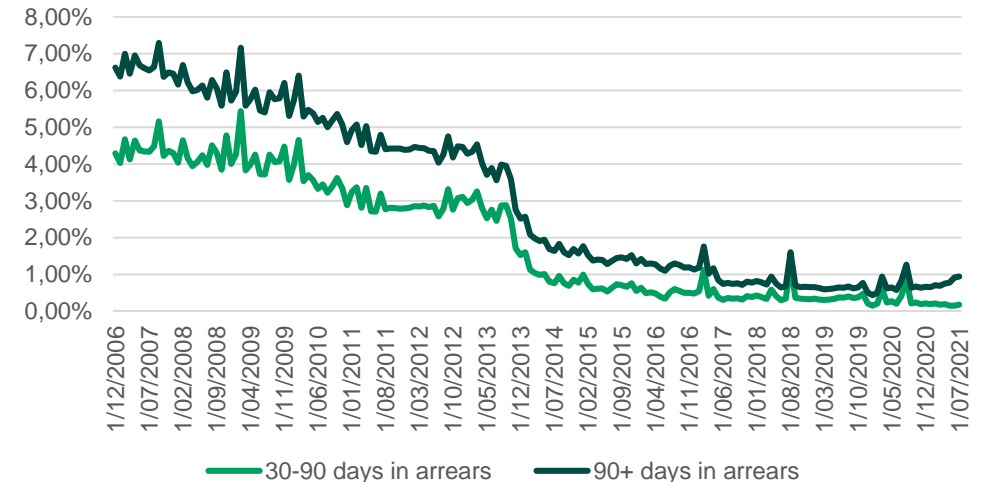
Forbearance

- Possible forbearance options for the customers are:
 - Internal refinancing of the outstanding balance
 - Extension of the term of the contract
 - Additional payment schedule in order to pay amount in arrears
 - From 1st of July 2020: Deferred payment

No Way Back

- A voluntary sale is the most common solution
- When no solution for the payment problems can be reached with the customer, a possible outcome is foreclosure
 - Customer does not want to sell the property voluntarily
 - Legal proceedings in co-operation with lawyer and bailiff
 - There are legal and administrative costs
- If the proceeds of the sale do not cover the entirety of the outstanding balance, a payment plan with the customer is set up or the residual debt is written off

Arrears Data

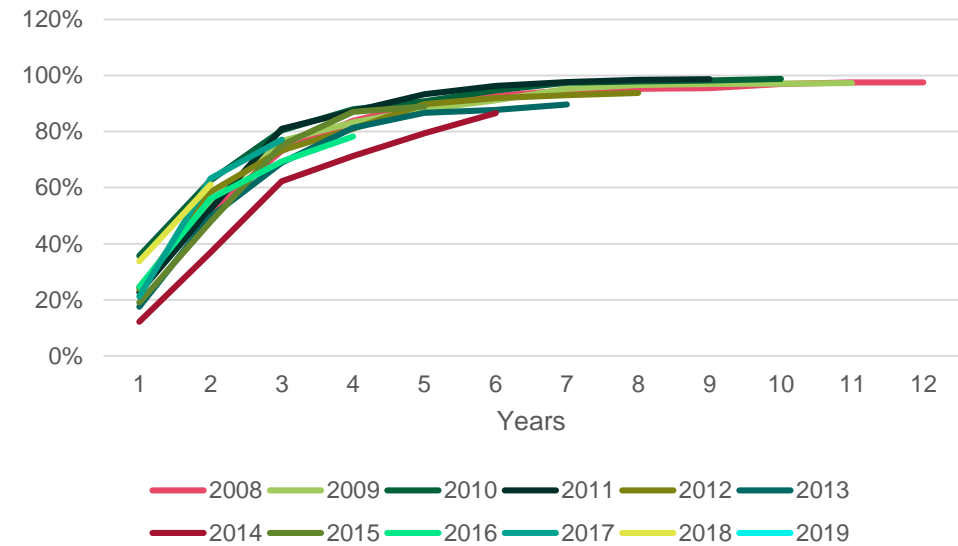


Cumulative Default and Recoveries Ratio

Cumulative Default Ratio after Origination



Cumulative Recoveries Ratio after Default



- Cumulative Default Ratio is low and has improved over the recent years due to better economic environment and the increased focus on early collections

- After a few years the cumulative recoveries ratio is near to 100%



4. Belgian Residential Mortgage Pandbrieven Programme

Overview of the Covered Bond Programme

Key Programme Terms

Issuer	Argenta Spaarbank N.V.
Covered Bond Programme Size	EUR 7.5bn
Expected Covered Bond Rating	AAA by S&P
Maturity Extension Format	Soft Bullet, with 1 year maturity extension
Cover Pool	Prime Belgian residential mortgage loans
Listing	Luxemburg Stock Exchange
Governing Law	Belgian Law
Cover Pool Monitor	Ernst & Young (“EY”)
Noteholder Representative	Dutch Foundation managed by Intertrust
Regulatory Compliance	UCITS 52(4), CRR Art. 129, LCR level 1, ECB repo eligible, CBPP3 eligible
Covered Bond Label	Yes

Covered Bond Rating

S&P Covered Bond Rating

Expected Covered Bond Rating	AAA
Issuer Rating	A-
Rating Leeway	1 notch
Systemic Importance	Strong
Legal Framework	Very Strong
Resolution Regime Uplift	+ 2 notches
Jurisdictional Support Uplift	+ 2 notches
Collateral Support Uplift	Up to 3 notches

Tests Pursuant to the Belgian Framework (1/2)

85% Asset Coverage Test

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

- The test prevents mixed asset covered bond programmes
- For avoidance of doubt, RMBS/CMBS/ABS are not eligible assets under Argenta's programme

105% Over-Collateralisation Test

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

- The test ensures a minimum OC of 5% at all times

Valuation of Residential Mortgages

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

Tests Pursuant to the Belgian Framework (2/2)

Amortisation Test

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

Liquidity Test

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

Additional Stress Test

The cover tests (i.e. the 85% asset coverage test, the 105% over-collateralisation test and the amortisation test) together with the liquidity test must be met also in the case of sudden and unexpected movements in interest rates and exchange rates:

- Internal stress tests, or
- Option to simulate an immediate increase or decrease of interest rates by 2% and of exchange rates by 8%



Main Issuer Covenants

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

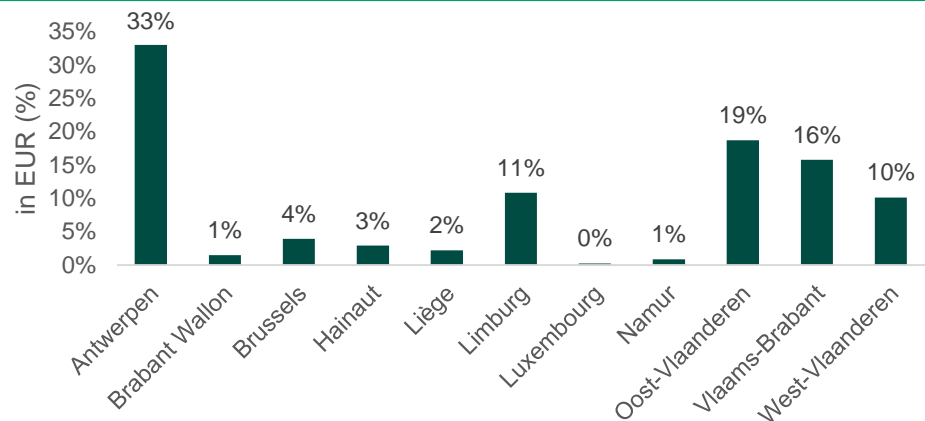
Cover Pool Summary

Summary Table (Cut-off 31/08/2021)

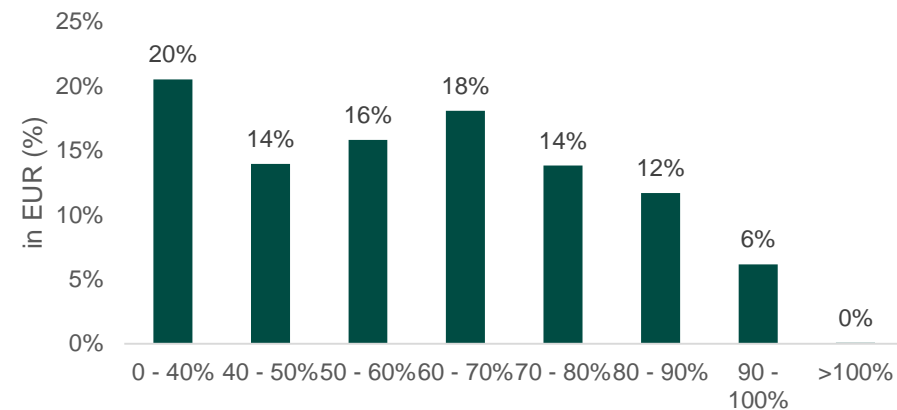
Cover Pool Notional	EUR 608,602,410
Cover Asset Value Residential Mortgage Loans	EUR 577,646,922
Number of Loans	7,029
Number of Borrowers	4,459
Weighted Average Initial Loan To Original Value (“ILTOV”)	76.16%
Weighted Average CLTCV	58.44%
Weighted Average Remaining Life (in years, CPR=0)	9.5
Interest Rate Type (Fixed / Resettable)	36.24% / 63.76%
Average Loan Amount	86,584
Weighted Average Interest Rate	1.69%
No Forex Risk	Only EUR denominated assets & liabilities
No Derivatives	Interest rate risk hedged through natural hedging and over-collateralisation
Arrears, Defaults and Payment Holidays	None at cut-off date

Mortgage Loan Stratifications

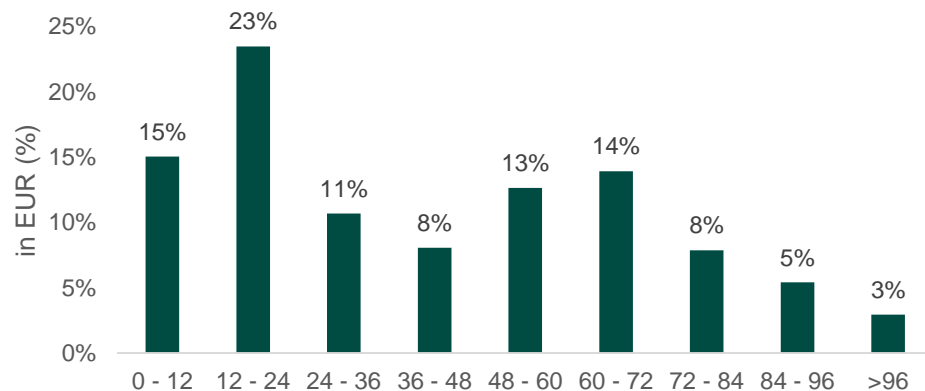
Geographical Distribution



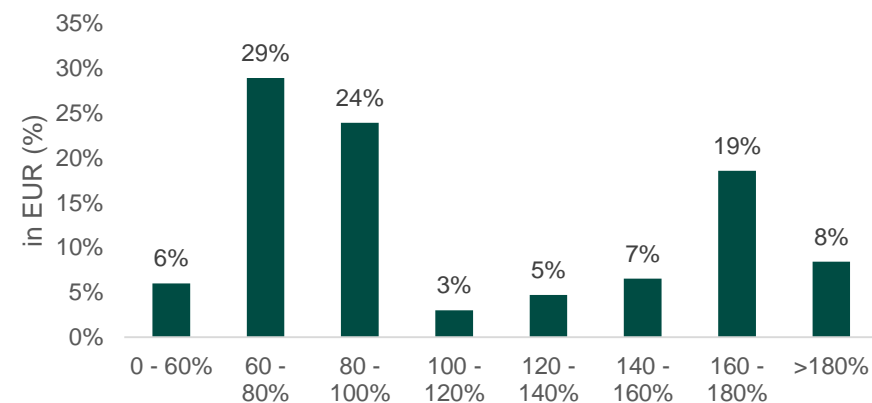
Current Loan to Current Value



Seasoning (in months)



Loan to Mortgage Inscription Ratio





5. Wrap Up



Wrap Up

- **Argenta, an integrated retail bank-insurer active in Belgium and the Netherlands**
- **Unrivalled levels of customer satisfaction**
- **Strong commercial and financial performance in H1 2021**
- **Strong solvency and liquidity position**
- **Prime Belgian residential mortgage loans originated using conservative mortgage underwriting criteria**
- **Belgian mortgage Pandbrieven expected to be AAA rated by S&P**
- **Strict Belgian legal framework**



Annex a) Belgian Covered Bond Legal Framework

Main Characteristics of Belgian Pandbrieven

Pandbrieven / Lettres de gage

- Legally protected term to indicate Belgian covered bonds that are UCITS and CRR compliant

On Balance Sheet Structure

- Issued directly by a licensed Belgian credit institution
- No SPV
- No specialized credit institution

Dual-Recourse

- The Pandbrieven holders have recourse against both:
 - The general estate of the issuer
 - The special estate, which is exclusively segregated for the Pandbrieven holders

Bankruptcy Remoteness

- Registration has the same effect as a true sale in insolvency proceedings
- The special estate is not part of the bankruptcy estate
- Proceedings do not cause the acceleration of the Belgian Pandbrieven

Additional Safeguard Mechanisms

Commingling Risk

- Collections received from the cover assets are by law part of the special estate
- Such collections held by the issuer for the account of the special estate are moreover protected via the 'ownership right' (revindication right): the ownership rights of the special estate as regards cash that cannot be identified in the general estate will be extended to unencumbered assets in the general estate
- After issuer bankruptcy: collections received from cover assets are excluded from the general estate

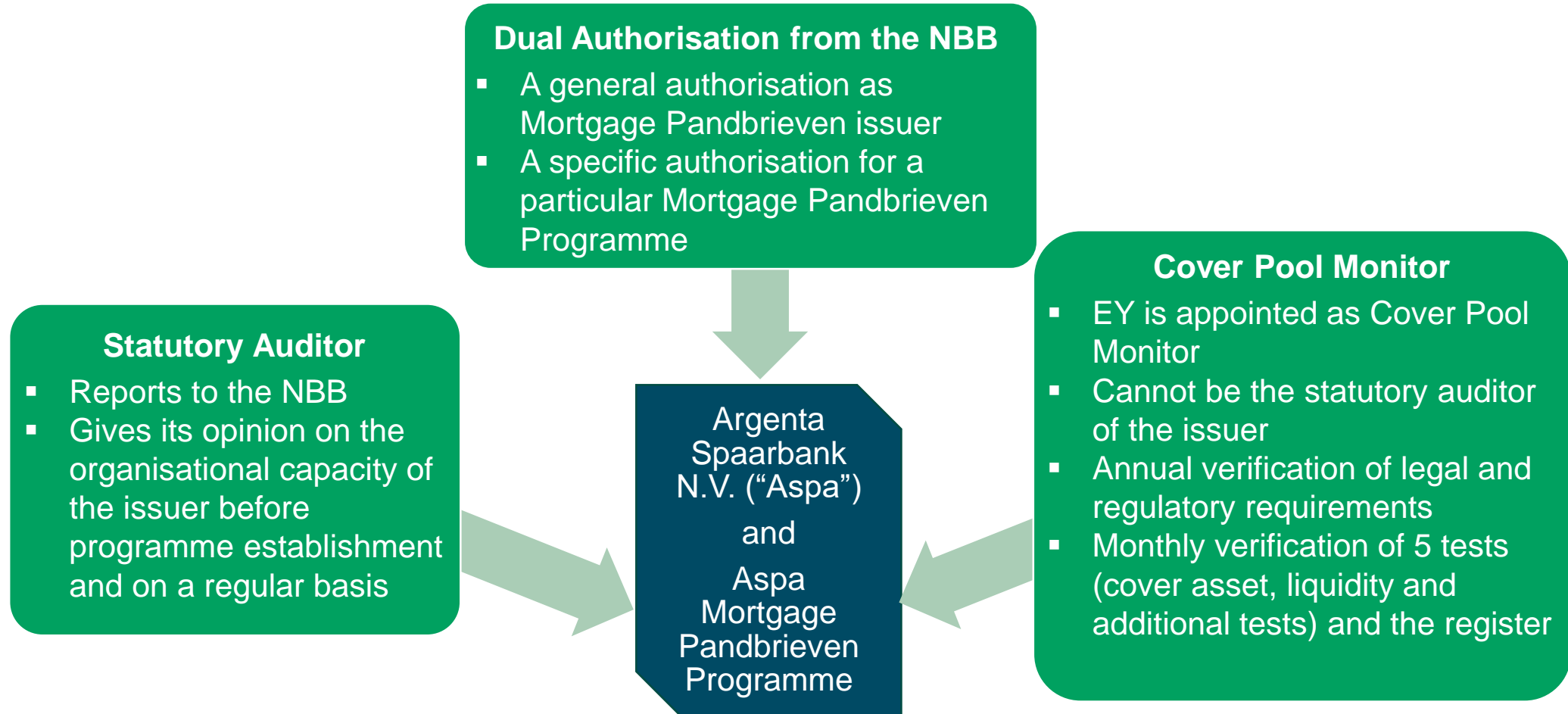
Set-off and Claw-back Provisions

- Legal and contractual set-off prohibited after transfer (including registration in the cover assets register) of receivables
- Claw-back rules limited to fraud

Cap on Issuance

- A credit institution can no longer issue new Belgian Pandbrieven if the amount of cover assets exceeds 8% of the credit institution's total non-consolidated assets

Pandbrieven Issuer Supervision





Mortgage Mandates and Cover Pool Administrator

Mortgage Mandates:

- A mortgage mandate is an agreement between the borrower and a proxy whereby **the borrower gives the proxy an irrevocable option to unilaterally** (no further involvement of the borrower required) **create a mortgage** on a property in favour of the lender and up to a certain predefined amount and in the contractually defined circumstances
- It is market practice in Belgium to grant a residential mortgage loan partially covered by a mortgage and partially by a mandate. This way the borrower avoids part of the mortgage registration fees

Cover Pool Administrator:

- Appointed by the NBB
- It has to manage the special estate in the interest of the Pandbrieven holders in certain circumstances:
 - Adoption of a reorganisation measure against the issuer that may negatively affect the Pandbrieven holders
 - Initiation of bankruptcy proceedings against the issuer
 - Removal of the issuer from the list of Pandbrieven issuers
 - Where the situation of the issuer is such that the NBB deems that it may seriously and adversely affect the interests of the Pandbrieven holders
- It is legally entrusted with the necessary powers to manage the special estate

EU Covered Bond Directive

There is limited impact of the new EU Covered Bond Directive on Aspa's Mortgage Pandbrieven Programme. The articles not listed below will have no impact on Aspa's Mortgage Pandbrieven Programme

Article	Title	Impact on Belgian Covered Bond Law and Aspa's Programme	Importance
Art. 4	Dual recourse	Dual recourse for derivative counterparties to be clarified in the law	Low
Art. 6	Eligible cover assets	List of eligible assets cfr CRR 129 (no impact as Belgian cover pool composition is already in line with CRR 129) New criteria for cash	Low
Art. 7	Non-EU assets	Most likely not to be implemented in Belgium	Low
Art. 8	Intragroup structures	Most likely not to be implemented in Belgium	Very Low
Art. 9	Joint funding	Joint funding is possible in Belgium, but no criteria have been set so far	Very Low
Art. 11	Cover pool derivatives	New criteria (but no impact as the existing Belgian CB programmes do not have derivatives)	Low
Art. 14	Investor information	Currently not in the Belgian legal framework, but in practice no impact as investor info is already provided	Low
Art. 16	Cover pool liquidity buffer	New definition to apply	Low
Art. 17	Extendable maturity structures	Triggers to be defined by law	Medium
Art. 19	Programme permission	Limited changes to the CB licensing process (no impact on existing programmes)	Low
Art. 21	Reporting to the competent authorities	Limited changes to the reporting	Low

Covered Bond Framework – Country Comparison



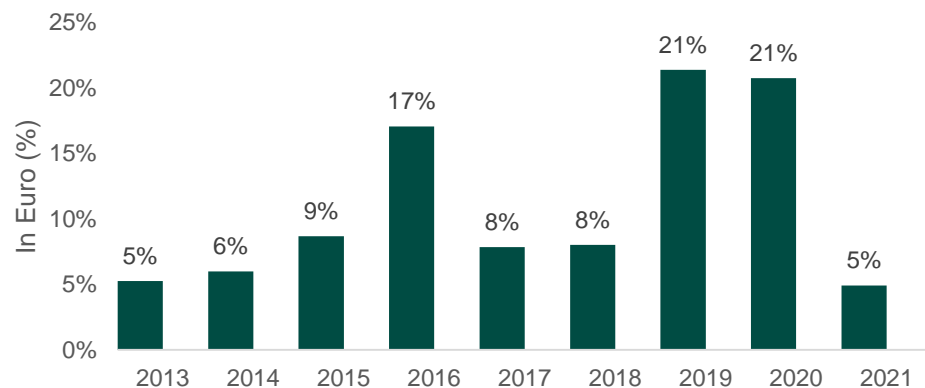
Designation	Belgian Pandbrieven	Obligations de Financement de L'Habitat	German Pfandbrief	Dutch Covered Bonds
Dedicated Law	Yes	Yes	Yes	Yes
Structure	On-Balance Sheet	Specialized credit institution	On-Balance Sheet	SPV structure
Eligible Assets	<ol style="list-style-type: none"> Residential mortgage loans / RMBS own loans Commercial mortgage loans / CMBS own loans Public sector exposure / Public sector ABS own loans Exposures to credit institutions Hedging instruments 	<ol style="list-style-type: none"> Residential mortgage loans secured by: <ul style="list-style-type: none"> Mortgage An eligible guaranteed home loan RMBS of the above Public sector loans (within the limits of the liquidity buffer) 	<ol style="list-style-type: none"> Residential mortgage loans Commercial mortgage loans Public sector loans & bonds Shipping loans Aircraft loans 	<ol style="list-style-type: none"> Residential mortgage loans Commercial mortgage loans Public sector loans Shipping loans
Maximum LTV	80% Residential 60% Commercial	80% Residential	60% Residential 60% Commercial	80% Residential 60% Commercial
Substitute Assets	Up to 15%	Up to 15%	Up to 10%	Up to 20%
Asset/Liability Mismatch	180-day liquidity coverage and ability to repo own issuance	180-day liquidity coverage and ability to repo own issuance	180-day liquidity coverage and ability to repo own issuance	180-day liquidity coverage, mismatching protected by contractual provisions
Regulatory Supervision	Supervision by NBB and cover pool monitor	French banking supervisor (ACPR) and specific controller	BaFin and independent trustee	Dutch Central Bank and auditor
CB Asset Encumbrance Cap	8% of total assets	No	No	No
Minimum OC	Legal (5%)	Legal (5%)	Legal (2%)	Legal (5%)
CRD RW	10%	10%	10%	10%



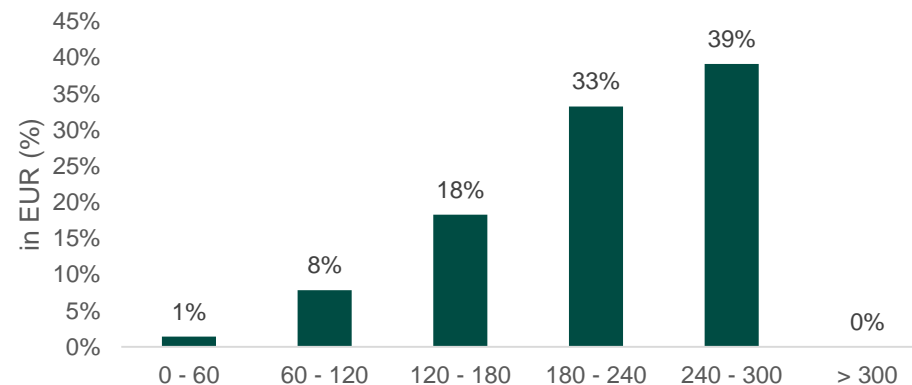
Annex b) Mortgage Loan Stratifications

Mortgage Loan Stratifications (1/2)

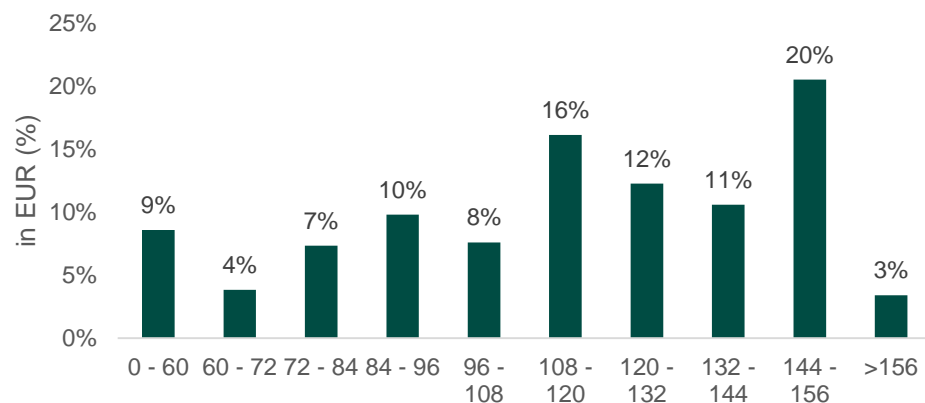
Origination Year



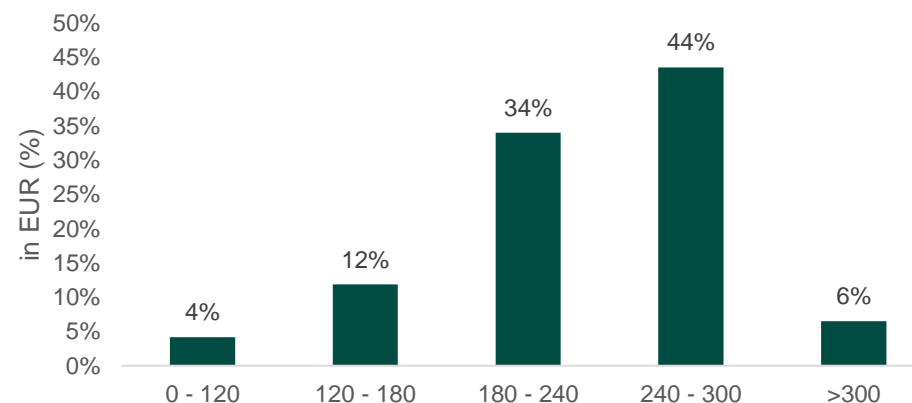
Remaining Term to Maturity (in months)



Distribution Average Life to Final Maturity

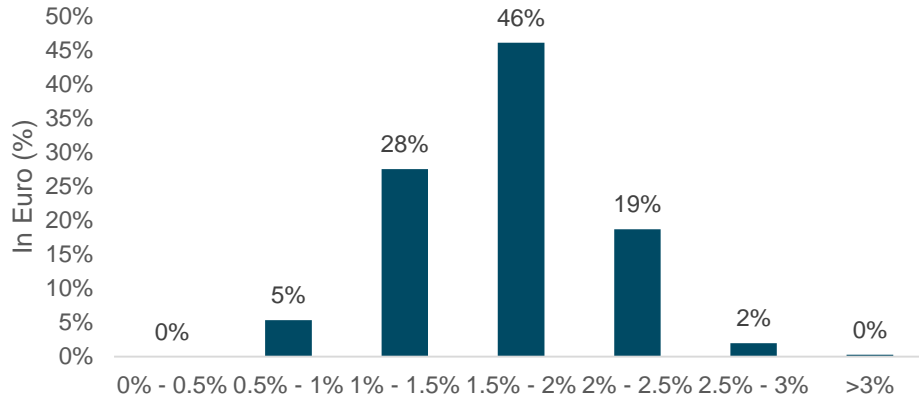


Initial Term to Maturity (in months)

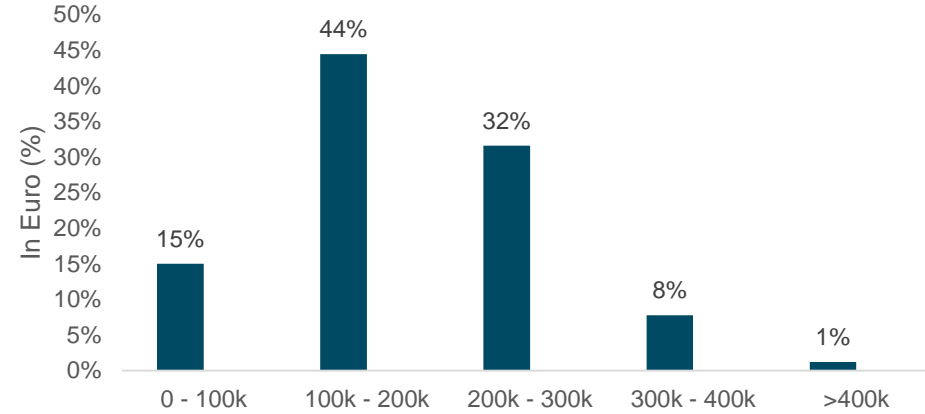


Mortgage Loan Stratifications (2/2)

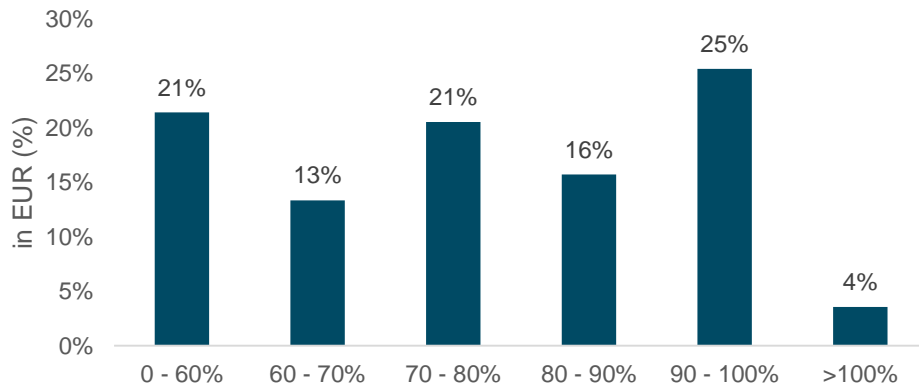
Interest Rate



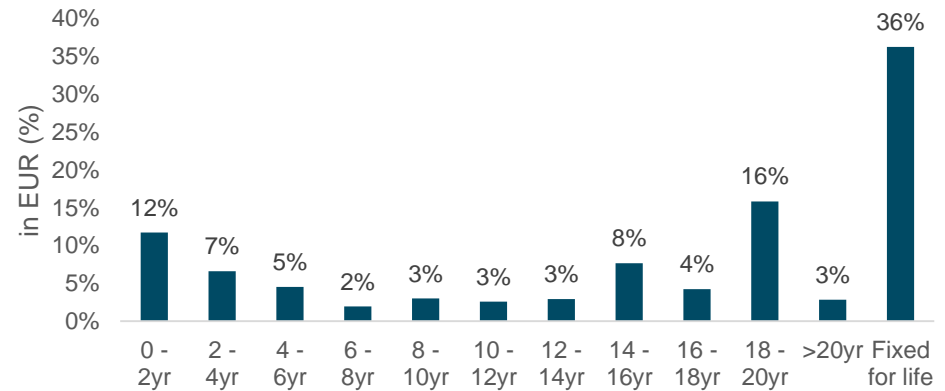
Outstanding Balance per Borrower



Original Loan to Initial Value



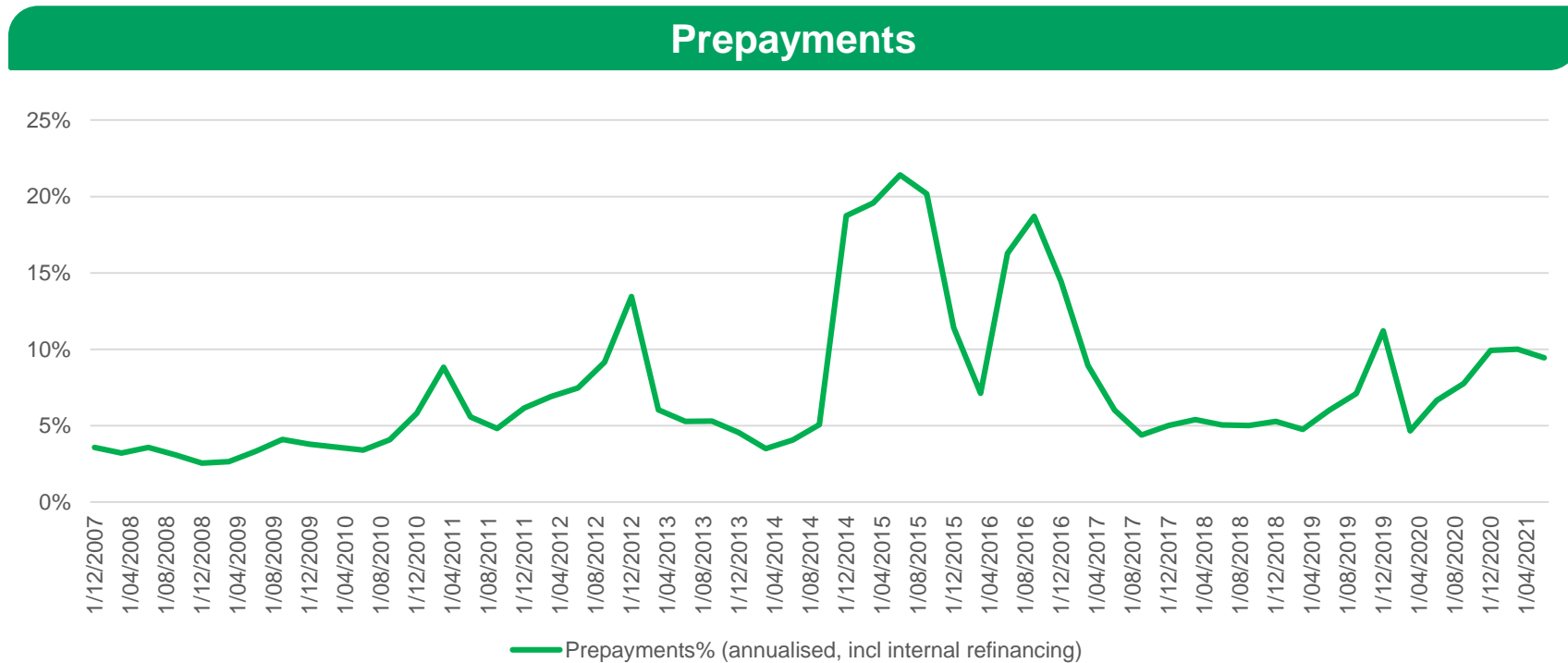
Next Interest Rate Reset





Annex c) Belgian Mortgage Loan Prepayments

Prepayments



- By law the prepayment penalty is limited to 3 months of interest on the prepaid principal



Annex d) Glossary

Glossary (1/2)

Argenta Assuranties	Consolidation scope of the legal entities Argenta Assuranties (parent) and Argenta-Life Nederland (branch).
Argenta Group	Consolidation scope of the legal entities Argenta Bank- en Verzekeringsgroep (parent) and Argenta Spaarbank, Argenta Asset Management, Argenta Assuranties, Argenta-Life Nederland (subsidiaries).
Argenta Spaarbank	Consolidation scope of the legal entities Argenta Spaarbank (parent) and Argenta Asset Management (subsidiary).
Common Equity Tier 1 ratio or CET 1	$[\text{common equity tier 1 capital}] / [\text{total weighted risks}]$
Cost of Risk or CoR	$[\text{net changes in specific and portfolio-based impairments for credit risks}] / [\text{average outstanding loan portfolio}]$
Cost/income or C/I	<p>$[\text{operating expenses of the period}] / [\text{financial and operational result of the period}]$</p> <p>Operating expenses include administration expenses, depreciation and provisions.</p> <p>Financial and operational result includes net interest income, dividend income, net income from commissions and fees, realised gains and losses on financial assets and liabilities not measured at fair value in the income statement, gains and losses on financial assets and liabilities held for trading, gains and losses from hedge accounting, gains and losses on derecognition of assets other than held for sale and other net operating income.</p> <p>The numerator is adjusted for (exceptional) items which distort the P&L during a particular period in order to provide a better insight into the underlying business trends. Adjustments relate to bank levies which are included pro rata and hence spread over all halves of the year instead of being recognised upfront (as required by IFRIC21).</p>
Cost/income or C/I excl. Bank levies	$[\text{operating expenses of the period} - \text{bank levies of the period}] / [\text{financial and operational result of the period}]$
Coverage ratio	$[\text{total specific impairment provision for non-performing loans}] / [\text{total outstanding non-performing loans}]$
CRR	Capital Requirements Regulation
DSTI	Debt Service To Income $[\text{Sum of all debt payments}] / [\text{Gross Income}]$
DTI	Debt To Income $[\text{Total Outstanding Debt} / \text{Yearly Income}]$

Glossary (2/2)

IFRIC	International Financial Reporting Interpretations Committee
Leverage Ratio or LR	$\frac{[\text{regulatory available tier-1 capital}]}{[\text{total exposure measures}]}$. The exposure measure is the total of non-risk-weighted on and off-balance sheet items, based on accounting data. The risk reducing effect of collateral, guarantees or netting is not taken into account, except for repos and derivatives. This ratio supplements the risk-based requirements (CAD) with a simple, non-risk-based backstop measure
Liquidity Coverage Ratio or LCR	$\frac{[\text{stock of high quality liquid assets}]}{[\text{total net cash outflow over the next 30 calendar days}]}$.
Loan-to-deposit or LTD	$\frac{[\text{loans-and-receivables}]}{[\text{customer deposits and customer debt certificates}]}$
Loan-to-value or LTV	$\frac{[\text{Outstanding loan amount}]}{[\text{Property Value}]}$
MREL	Minimum requirement for own funds and eligible liabilities
Margin on mortgages	Gross margin or $[\text{Client rate}] - [\text{Swap rate}]$
Net interest income or NII	$[\text{revenues generated by interest-bearing assets}] - [\text{cost of servicing (interest-burdened) liabilities}]$
Net stable funding ratio or NSFR	$\frac{[\text{available amount of stable funding}]}{[\text{required amount of stable funding}]}$
NHG	Nationale Hypotheek Garantie (National Mortgage Guarantee) is a guarantee scheme by the Dutch government on residential mortgages
Non-performing loans ratio or NPL ratio	$\frac{[\text{total outstanding non-performing loans}]}{[\text{total outstanding loans}]}$
NPS	Net Promotor Score
Return on equity or RoE	$\frac{[\text{net profit of the period}]}{[\text{equity at the beginning of the period}]}$
RMBS	Residential mortgage-backed security
Total Capital ratio or TCR	$\frac{[\text{common equity tier 1 capital} + \text{additional tier 1 instruments} + \text{tier 2 instruments}]}{[\text{total weighted risks}]}$



Disclaimer

This document has been prepared by the management of Argenta Spaarbank NV (hereafter “Argenta Spaarbank”) and contains information with regard to the Belgian Mortgage Pandbrieven Programme of Argenta Spaarbank, the legal framework for Belgian covered bonds/Pandbrieven and information with regard to the results of Argenta Spaarbank for the first half of 2020. The financial statements are prepared in accordance with IFRS and the figures are audited.

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More information:

<https://www.argenta.eu/investor-relations/debt-issuance.html>

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