

## FINAL TERMS

Final terms dated 25 May 2023

**KBC Bank NV**

**Issue of**

**EUR 750,000,000 3.250% Covered Bonds due 30 May 2028**

**under the**

**EUR 17,500,000,000 Residential Mortgage Covered Bonds Programme**

**MIFID II PRODUCT GOVERNANCE / PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES (ECP) ONLY TARGET MARKET** - Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MiFID II**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**UK MiFIR Product Governance / Professional investors and ECPs only target market** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 (**UK MiFIR**) as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the **EUWA**); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** - The Covered Bonds are not intended to be offered, sold or otherwise made available to, and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the **EEA**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, the Issuer has not prepared a key information document required by Regulation (EU) No 1286/2014 (as amended, the **PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** - The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (**UK**). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU)

No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the **FSMA**) and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of UK MiFIR. Consequently no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the **UK PRIIPs Regulation**) for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**PROHIBITION OF SALES TO CONSUMERS** - The Covered Bonds are not intended to be offered, sold to or otherwise made available to and will not be offered, sold or otherwise made available by any Dealer to any "consumer" (*consument/consommateur*) within the meaning of the Belgian Code of Economic Law (*Wetboek economisch recht/Code de droit économique*), as amended.

Any person making or intending to make an offer of the Covered Bonds may only do so in circumstances in which no obligation arises for the Issuer or any Dealer to publish a prospectus pursuant to Article 3 of the Regulation (EU) 2017/1129 (the **Prospectus Regulation**) or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation, in each case, in relation to such offer. Neither the Issuer nor any Dealer has authorised, nor do they authorise, the making of any offer of Covered Bonds in any other circumstances.

## PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Base Prospectus dated 12 July 2022 and as supplemented on 2 May 2023 which constitutes a base prospectus for the purposes of the Prospectus Regulation (the **Base Prospectus**). This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus in order to obtain all the relevant information. The Base Prospectus has been published on the Issuer's website <https://www.kbc.com/en/investor-relations/debt-issuance/kbc-bank/kbc-bank-residential-mortgage-covered-bond-programme.html>.

- |    |     |  |   |
|----|-----|--|---|
| 1. | (a) | Series Number:                                   | C00026  |
|    | (b) | Tranche Number                                   | 1   |
| 2. |     | Specified Currency:                              | Euro ( <b>EUR</b> )   |
| 3. |     | Aggregate Nominal Amount:                        | EUR 750,000,000   |
|    | (a) | Series:  | EUR 750,000,000   |
|    | (b) | Tranche:   | EUR 750,000,000   |
| 4. |     | Issue Price:                                     | 99.818% of the Aggregate Nominal Amount                             |
| 5. |     | Specified Denominations:                         | EUR 100,000 and integral multiples of EUR 100,000 in excess thereof |
| 6. | (a) | Issue Date:                                      | 30 May 2023   |
|    | (b) | Interest Commencement Date:                      | Issue Date  |
| 7. | (a) | Final Maturity Date:                             | 30 May 2028   |
|    |     | Business Day Convention for Final Maturity Date: | Following Business Day Convention                                   |
|    |     | Additional Business Centre(s):                   | Brussels  |
|    | (b) | Extended Final Maturity Date:                    | 30 May 2029   |

Business Day Convention for Extended Final Maturity Date: Following Business Day Convention

Additional Business Centre(s): Brussels

8. Interest Basis:

(a) Period to (but excluding) Final Maturity Date: 3.250% Fixed Rate (further particulars specified below)

(b) Period from Final Maturity Date to (but excluding) Extended Final Maturity Date: 3.250% Fixed Rate (further particulars specified below)

9. Redemption Basis:

Subject to any purchase and cancellation or early redemption, the Covered Bonds will be redeemed on the Final Maturity Date at 100 per cent. of their nominal amount or on the Extended Final Maturity Date at 100 per cent. of their nominal amount

10. Change of Interest Basis:

Not Applicable

11. (a) Status of the Covered Bonds:

*Belgische pandbrieven/lettres de gage belges* / European covered bonds (premium)

(b) Date executive board (or similar) approval for issuance of Covered Bonds obtained:

22 May 2023

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

12. Fixed Rate Covered Bond Provisions

(a) To Final Maturity Date: Applicable

(b) From Final Maturity Date to Extended Final Maturity Date: Applicable

(c) Rate of Interest:

(i) To Final Maturity Date: 3.250% per annum payable annually in arrear

- (ii) From Final Maturity Date to Extended Final Maturity Date: 3.250% per annum payable monthly in arrear
- (d) Interest Period End Date(s):
  - (i) To Final Maturity Date: 30 May in each year, starting on 30 May 2024, up to and including the Final Maturity Date
  - (ii) From Final Maturity Date to Extended Final Maturity Date: 30<sup>th</sup> in each month, starting on 30 June 2028, up to and including the Extended Final Maturity Date
- (e) Business Day Convention for Interest Period End Dates:
  - (i) To Final Maturity Date: Not Applicable
  - (ii) From Final Maturity Date to Extended Final Maturity Date: Not Applicable
- (f) Interest Payment Date(s):
  - (i) To Final Maturity Date: Interest Payment Dates will correspond to Interest Period End Dates
  - (ii) From Final Maturity Date to Extended Final Maturity Date: Interest Payment Dates will correspond to Interest Period End Dates (provided, however, that after the Final Maturity Date, the Interest Payment Date shall be monthly)
- (g) Business Day Convention for Interest Payment Dates:
  - (i) To Final Maturity Date: Following Business Day Convention
  - (ii) From Final Maturity Date to Extended Final Maturity Date: Following Business Day Convention
- (h) Additional Business Centre(s):
  - (i) To Final Maturity Date: Brussels

- (ii) From Final Maturity Date to Brussels  
Extended Final Maturity  
Date:
- (i) Day Count Fraction:
  - (i) To Final Maturity Date: Actual/Actual (ICMA)
  - (ii) From Final Maturity Date to Actual/Actual (ICMA)  
Extended Final Maturity  
Date:
- (j) Determination Date:
  - (i) To Final Maturity Date: 30 May in each year
  - (ii) From Final Maturity Date to 30<sup>th</sup> in each month  
Extended Final Maturity  
Date:

**PROVISIONS RELATING TO REDEMPTION**

- 13. Final Redemption Amount of each Covered Bond: Principal Amount Outstanding
- 14. Early Redemption Amount:
  - Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons, illegality or on event of default or other early redemption: Condition 6.3 applies

**GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

- 15. Form of Covered Bonds: Dematerialised Covered Bonds
- 16. Additional Financial Centre(s) or other special provisions relating to Interest Payment Days: Not Applicable
- 17. Consolidation provisions: The provisions in Condition 19 (*Further Issues*) apply

## DISTRIBUTION

18. (a) If syndicated, names of Managers:
- Banco Santander, S.A.**  
Ciudad Grupo Santander,  
Avda. de Cantabria, Ed. Encinar,  
28660 Boadilla del Monte (Madrid)  
Spain
- Commerzbank Aktiengesellschaft**  
Kaiserstraße 16 (Kaiserplatz)  
60311 Frankfurt am Main  
Federal Republic of Germany
- HSBC Continental Europe**  
38, avenue Kléber  
75116 Paris  
France
- KBC Bank NV**  
Havenlaan 2  
1080 Brussels  
Belgium
- Natixis**  
7 promenade Germaine Sablon  
75013 Paris  
France
- UBS AG London Branch**  
5 Broadgate  
London EC2M 2QS  
United Kingdom
- (b) Date of Subscription Agreement 25 May 2023
- (c) Stabilising Manager(s) (if any): Not Applicable
19. If non-syndicated, name of relevant Dealer: Not Applicable
20. U.S. Selling Restrictions: Reg. S Compliance Category 2, TEFRA not applicable
21. Additional selling restrictions: The Dematerialised Covered Bonds offered by the Issuer may only be subscribed, purchased or held by investors in an exempt securities account (X-Account) in accordance with Article 4 of the Belgian Royal Decree of 26 May 1994 on the collection and refund of

withholding tax (as amended, supplemented and/or replaced from time to time).

### **RESPONSIBILITY**

The Issuer accepts responsibility for the information contained in these Final Terms. The brief explanations on the meanings of the ratings in paragraph 2 of Part B of these Final Terms have been extracted from [www.moodys.com](http://www.moodys.com) and [www.fitchratings.com](http://www.fitchratings.com) (the **Relevant Websites**). The Issuer confirms that such information has been accurately reproduced and that, so far as it is aware, and is able to ascertain from information published on each of the Relevant Websites, no facts have been omitted which would render the reproduced information inaccurate or misleading.



Signed on behalf of the Issuer:

By: *Gilles Corswarem*  
Gilles Corswarem (May 25, 2023 10:13 GMT+2)

Authorised signatory

By: *Innocenzo Soi*  
Innocenzo Soi (May 25, 2023 10:21 GMT+2)

Authorised signatory

## PART B – OTHER INFORMATION

### 1. LISTING AND ADMISSION TO TRADING

- |  |  |
|--|--|
| 1.1. Admission to trading and admission to listing:              | Application has been made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of Euronext Brussels with effect from the Issue Date. |
| 1.2. Estimate of total expenses related to admission to trading: | EUR 4,800  |

### 2. RATINGS

- Ratings:
- The Covered Bonds to be issued have been rated:
- Moody's: Aaa (stable)
- Fitch: AAA (stable)
- In accordance with Moody's ratings definitions available as at the date of these Final Terms on [Rating Symbols and Definitions \(moodys.com\)](#), obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.
- In accordance with Fitch's ratings definitions available as at the date of these Final Terms on [Rating Definitions \(fitchratings.com\)](#), AAA' ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.
- Moody's France S.A.S. (**Moody's**) and Fitch Ratings Ireland Limited (**Fitch**) are established in the EU and registered under Regulation (EC) No 1060/2009, as amended by Regulation (EU) No 513/2011 (the **CRA Regulation**).
- A security rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

3. **DERIVATIVE CONTRACT** Not Applicable

4. **INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER**

Save as discussed in the section "*Subscription and Sale*" of the Base Prospectus, so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer.

5. **REASONS FOR THE OFFER**

Reasons for the offer: See "*Use of Proceeds*" section in the Base Prospectus

Estimated net proceeds: EUR 748,635,000

6. **YIELD**

Indication of yield: 3.290% per annum

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

7. **OPERATIONAL INFORMATION**

ISIN: BE0002948298

Common Code: 263002431

Any clearing system(s) other than the Securities Settlement System and the relevant identification number(s): Not Applicable

Delivery: Delivery against payment

Names and addresses of Registrar (if other than the Issuer): Not Applicable

Names and addresses of initial Paying Agent(s): KBC Bank NV  
Havenlaan 2

	B-1080 Brussels Belgium
Names and addresses of additional Paying Agent(s) (if other than the Issuer):	Not Applicable
Name and address of the Calculation Agent (if any):	Not Applicable
Benchmark	Not Applicable
Intended to be held in a manner which would allow Eurosystem eligibility:	Yes. Note that the designation "yes" simply means that the Covered Bonds to be held in a manner which would allow Eurosystem eligibility and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.