

KBC Group

Debt presentation

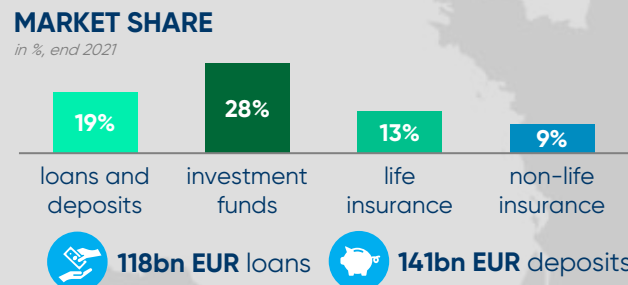
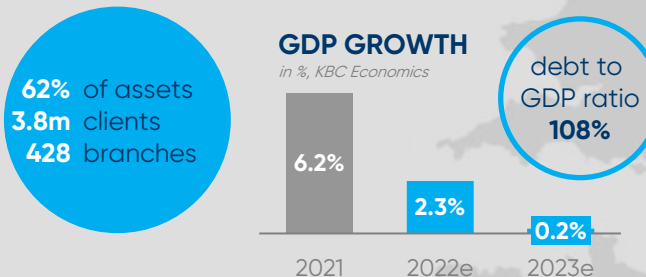
3Q 2022

more information: www.kbc.com

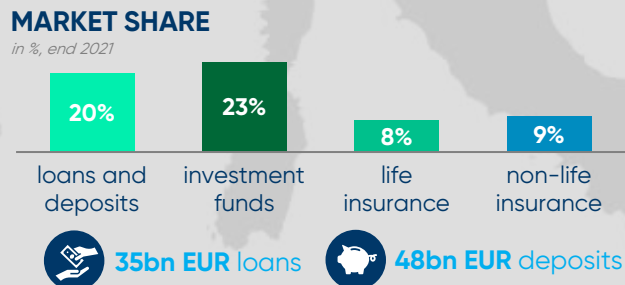
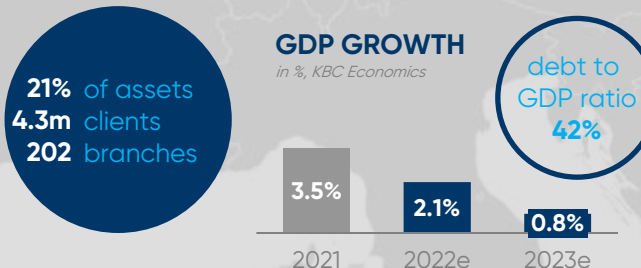
KBC Group - Investor Relations Office: IR4U@kbc.be



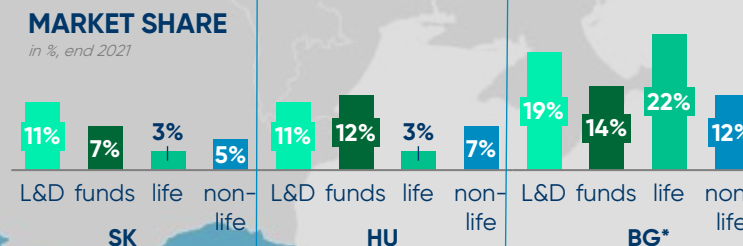
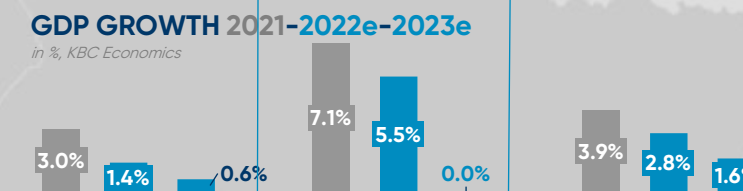
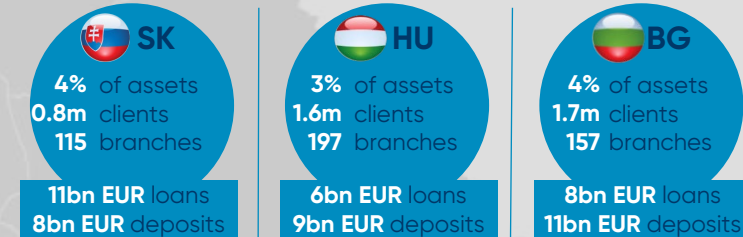
BELGIUM BU



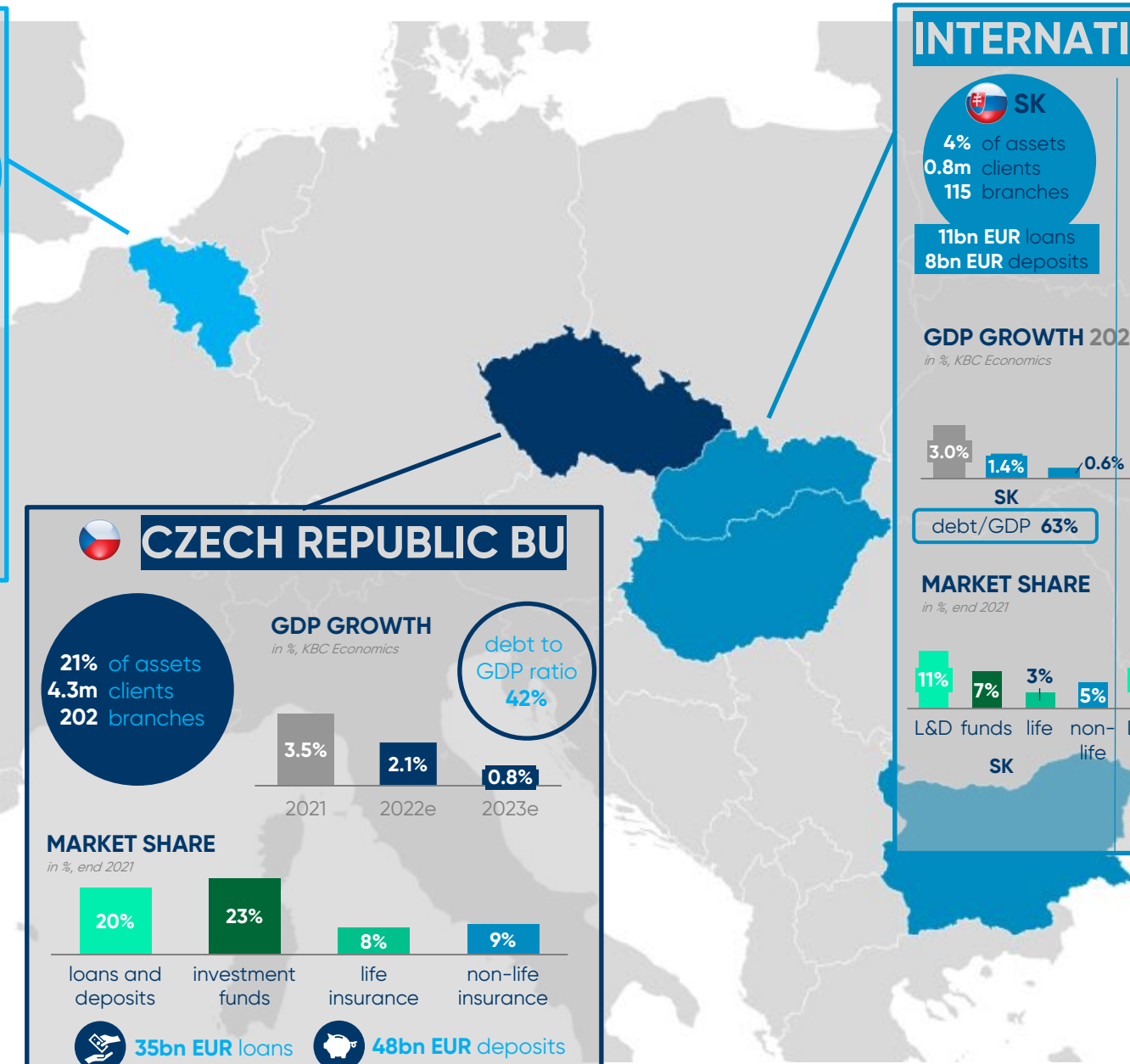
CZECH REPUBLIC BU



INTERNATIONAL MARKETS BU

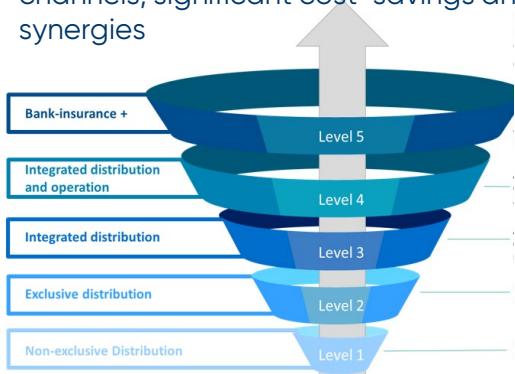


* Pro forma incl. acquisition of Raiffeisenbank Bulgaria



Unique integrated bank-insurance+ model

- We offer an **integrated response** to our clients' banking and insurance needs. Our **organisation** is similarly integrated, operating as a single business and a **digital-first, lead-driven and AI-led bank-insurer**
- The benefit of a **one-stop**, relevant and personalised financial service that allows our clients to choose from a wider and **complementary range of products and services**, which go beyond pure bank-insurance
- Benefits in terms of income and risk diversification**, additional sales potential through intensive co-operation between the bank and insurance distribution channels, significant cost-savings and synergies



Successful digital-first approach through KATE

- Our **Digital interaction with clients** forms the basis of our business model in our strategy, not only in terms of sales and advice, but also in E2E digital process and product development
- Artificial intelligence** and data analysis will play an important part in digital sales and advice. **Kate, our personal digital assistant**, will feature prominently in this regard



The independent international consulting firm Sia Partners named KBC Mobile one of the top performing mobile banking app worldwide (N°1 in 2021 and N°3 in 2022): a clear recognition of a decade of innovation, development and listening closely to our clients

KATE users
2.5m
KATE active users
1.5m

KATE autonomy
54% | 63%
BE | CZ

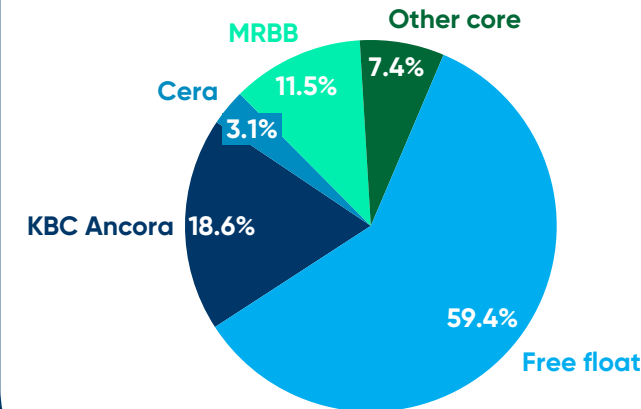
Firmly embedded sustainability strategy

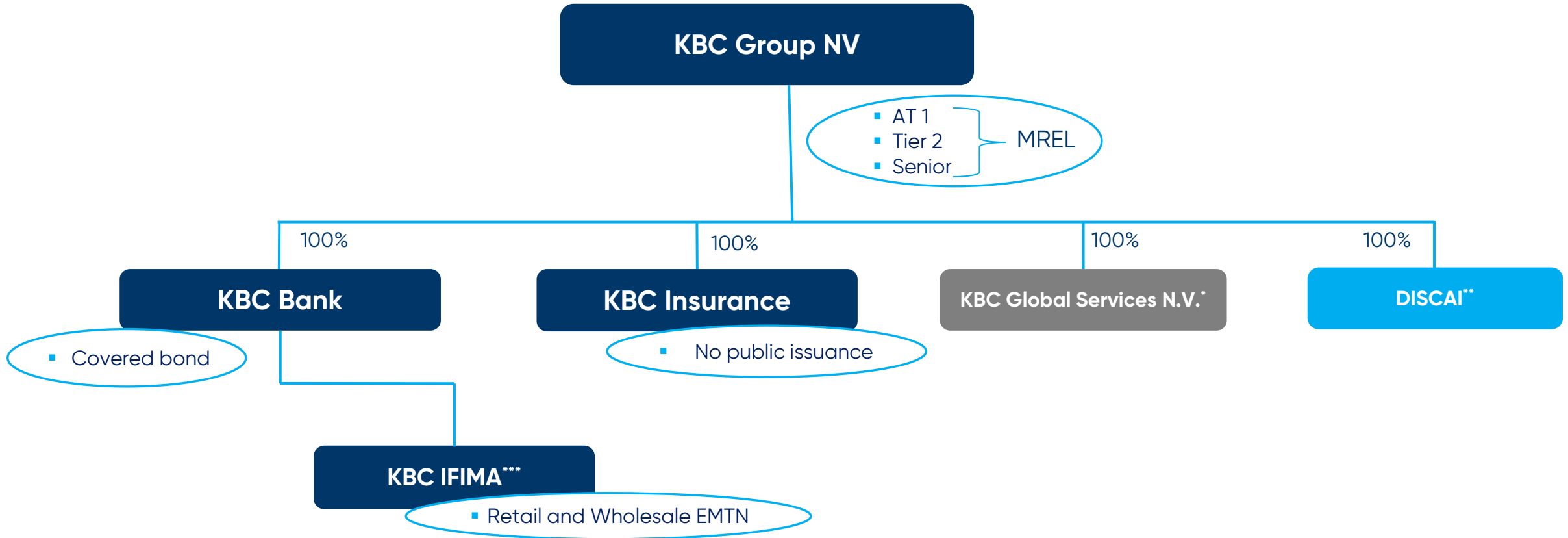
- As a company that aims to support the transition to a more sustainable and climate-proof society, **we have made sustainability integral to our overall business strategy** and integrated it into our day-to-day business operations and the products and services we provide.
- Our sustainability strategy consists of three cornerstones: **encouraging responsible behaviour on the part of all our employees, increasing our positive impact on society and limiting any adverse social impact we might have**



Core shareholder structure

- A special feature of our shareholder structure is **the core shareholder syndicate** consisting of Cera, KBC Ancora, MRBB and the other core shareholders, which together held **roughly 40%** of our shares
- These shareholders act in concert, thereby ensuring shareholder stability in our group





• To ensure that KBC's HoldCo senior debt is eligible for the subordinated MREL target (i.e., to make sure that no excluded liabilities ranking pari passu or junior with HoldCo senior debt are present in KBC Group NV), the KBC Group ExCo decided on to make KBC Group NV a Clean HoldCo for the purpose of resolution. All the activities of KBC Group NV have been transferred (as at 1/6/2022) to a new subsidiary of KBC Group NV (with exception of the group controlling functions), the financial holding activities and issuing own funds and MREL instruments that remain at KBC Group NV

** DISCAI (Discovering AI) is a separate fully owned subsidiary, grouping the in-house developed artificial intelligence solutions for commercialisation to third parties (as of 7 March 2022)

*** All debt obligations of KBC IFIMA are unconditionally and irrevocably guaranteed by KBC Bank

	Moody's	S&P	Fitch	
Group	Senior Unsecured	Baa1	A-	A
	Tier II	Baa2	BBB	BBB+
	Additional Tier I	Ba1	BB+	BBB-
	Short-term	P-2	A-2	F1
	Outlook	Positive	Stable	Stable
Bank	Covered bonds	Aaa	-	AAA
	Senior Unsecured	A2	A+	A+
	Tier II	-	BBB	-
	Short-term	P-1	A-1	F1
	Outlook	Positive	Stable	Stable
Insurance	Financial Strength Rating	-	A	-
	Issuer Credit Rating	-	A	-
	Outlook	-	Stable	-

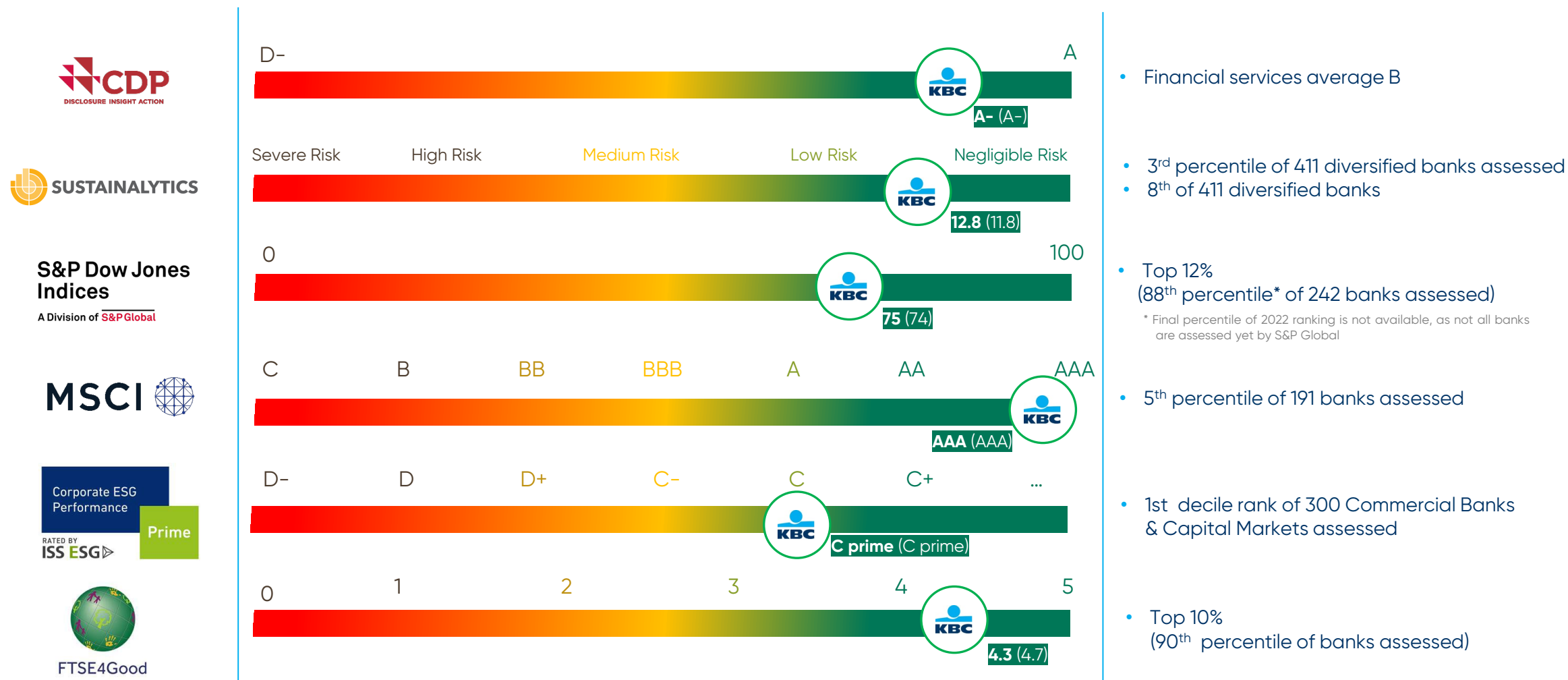
Latest updates:

- 28 July 2022:** **Moody's** changed the outlook to positive and reflected the expectation that KBC's strong earnings generated in recent years will continue to be supported by strong revenue growth, thanks to (i) continued volume growth, (ii) gradual positive effects from rising interest rates on assets and liabilities, despite headwinds from the macro-economic environment. This, combined with Moody's expectation of a moderate cost of risk, should more than offset inflationary pressures on costs
- 12 October 2021:** **Fitch** revised the outlooks on **KBC Group and KBC Bank to stable**. The revision of the outlook reflects Fitch's updated economic assumptions for the group's main operating countries. This means back to the situation pre Covid.
- 13 July 2021:** **Moody's** has left KBC Group's senior debt rating unchanged but has **downgraded KBC Bank's senior debt rating by one notch to A2 from A1**. The outlook remains stable. The downgrade is driven by Moody's new rating methodology related to Loss Given Failure (LGF). However, Moody's view of KBC's fundamental creditworthiness remains the same. **The long-term deposit rating of KBC Bank N.V. has been downgraded to A1 from Aa3**. The rating agency also **downgraded the backed senior unsecured debt and Medium-Term Notes (MTN) programme ratings of KBC IFIMA S.A. to A2 from A1, and to (P)A2 from (P)A1, respectively**
- 23 June 2021:** **S&P** revised the outlook to stable from negative for **KBC Group, KBC Insurance and KBC Group RE** given the improvement of the economic risk trend in Belgium. This means back to the situation pre Covid

Agency

ESG rating of 27th of October 2022 (previous score)

Position versus industry average



High profitability

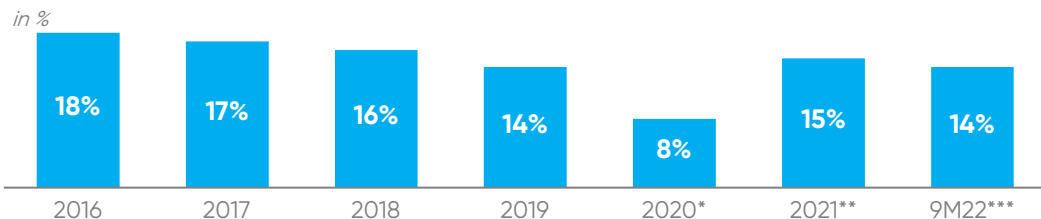
C/I ratio*
55% | FY21
54% | 9M22

* Adjusted for specific items

Combined ratio
89% | FY21
86% | 9M22

Net result
2,614m | FY21
2,046m | 9M22

RETURN ON EQUITY

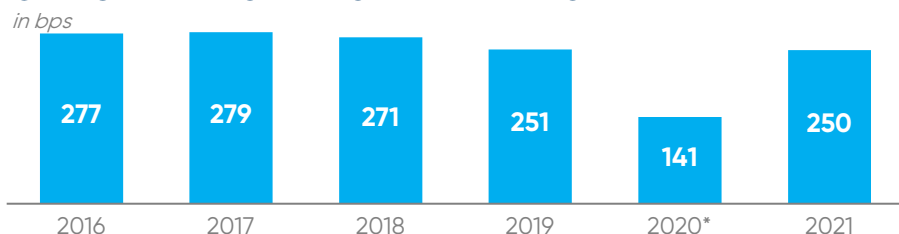


* 11% when adjusted for the collective covid impairments

** when excluding the one-off items due to the pending sales transactions in Ireland

*** when evenly spreading the bank tax throughout the year

CET1 GENERATION BEFORE ANY DEPLOYMENT

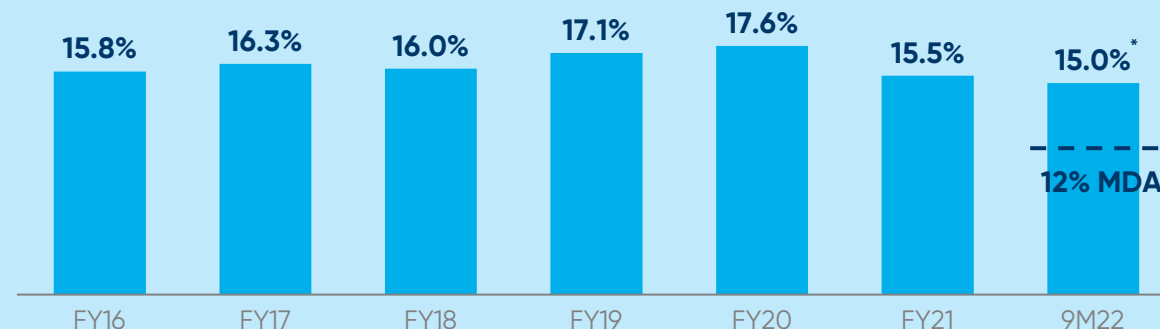


* 202bps when adjusted for the collective covid-19 impairments

Solid capital position

CET1 RATIO (FULLY LOADED, DANISH COMPROMISE)

in %



* As of 1Q22, interim profit recognition (based on 50% profit accrual)

Robust liquidity

NSFR
148% | FY21
140% | 9M22

LCR
167% | FY21
155% | 9M22

Customer NPS ranking



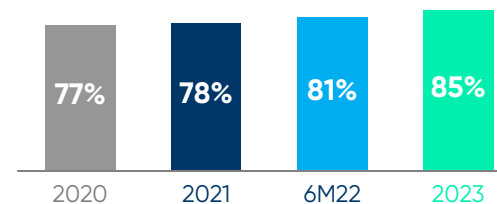
* Based on the latest available data.

- **KBC is 3rd in customer NPS (Net Promoter Score) ranking** based on weighted avg of ranking in six core countries
- **Target is to remain the reference** (i.e. Top-2 score on group level)

Bank-insurance (BI) clients

BI CLIENTS

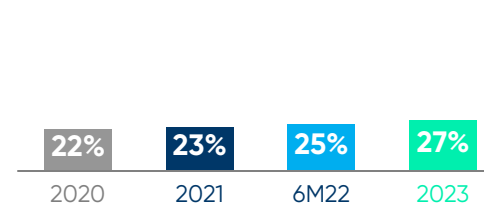
in %



BI customers have at least 1 bank + 1 insurance product of our group.

BI STABLE CLIENTS

in %

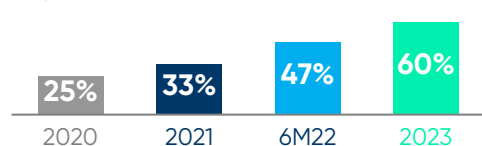


Stable BI customers: at least 2 bank + 2 insurance products (Belgium: 3+3)

Straight-through processing (STP)

STP SCORE*

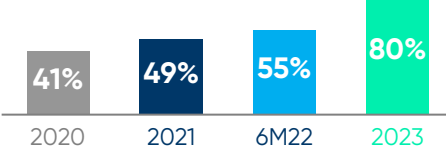
in %



The **STP ratio** measures how many of the services that can be offered digitally are processed without any human intervention and this from the moment of interaction by a client until the final approval by KBC.

STP POTENTIAL*

in %



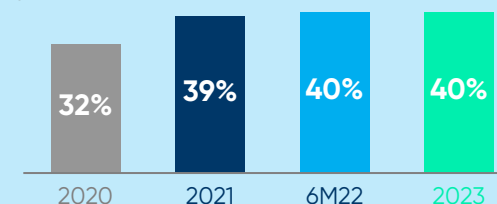
The **STP potential** measures what the STP ratio would be if KBC would only have the digital channel in its interaction with clients for a given process or product.

* Based on analysis of core commercial products.

Digital sales

DIGITAL SALES BANKING PRODUCTS*

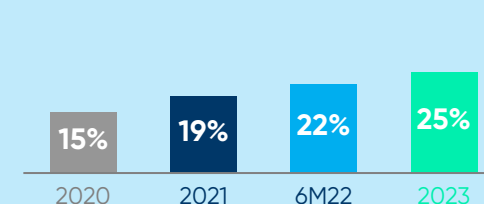
in %



Digital sales 40% of **banking sales** (vs 2023 target of ≥40%).

DIGITAL SALES INSURANCE PRODUCTS

in %



Digital sales 22% of **insurance sales** (vs 2023 target of ≥25%)

* Based on weighted average of selected core products.



Kate

PERSONALISED & DATA DRIVEN

The interaction between the customer and Kate will be triggered by data analysis (approval granted by customer). Kate will be trained on the basis of the customer's profile, preferences and activities

DIGITAL FIRST & E2E

We will offer the client a frictionless End2End digital process and in doing so make bank/insurance simple and hassle free

SERVING: SECURE & FRICTIONLESS

Kate will help the client saving time and/or money, focusing more on the convenience factor. Kate will also serve the client regarding security and fraud

RELEVANT & VALUABLE OFFER

Kate will only propose offers where sufficient added value is shown or when she can serve the client in an important moment in the client's live

AT THE RIGHT TIME

Lead journeys driven by time or location are preferably taken care of by Kate, as notifications linked to a specific location or specifying moment in time are perceived as highly personal

VOLUME

We want all our clients to meet Kate as much as possible. Kate will allow us to reach out to a sufficient volume of clients, in terms of transactions and in terms of number of targetable audience

Kate AUTONOMY
54% BE
63% CZ

2 460 000 clients already in contact with Kate (BE+CZ+BG+HU)

'KATE IN A BOX' delivered to all core countries

'No hassle, no friction, zero delay'

Johan Thijs



ESG

Environmental

- Disclosure of **2030-2050 climate targets** for our lending portfolio and responsible investing funds in line with our CCCA ambitions
- We calculated the **GHG emissions for the entire KBC Group's loan and lease portfolio** for the first time based on the PCAF methodology
- We calculated the **climate-related impact of our own investments and asset management portfolio** through Trucost data and methodology
- Net climate-neutral regarding **our direct environmental footprint**



ESG

Social

- 31bn EUR in **Responsible Investing funds**
- Implementation of our social bond framework and **first Belgian financial institution to issue a 750m EUR social bond**
- 10.2m EUR of outstanding **loans to microfinance institutions and investments in microfinance funds**, reaching 1.7m rural entrepreneurs and farmers in the South
- Promoting **female entrepreneurship** targeting 50% of female founders in our start-up community
- Promoting **diversity and an inclusive culture** in the Bloomberg Gender-Equality Index
- First-time participation to the **Workforce disclosure initiative**



ESG

Governance

- Top level responsibility for sustainability and climate change – anchored in our **sustainability governance and remuneration**
- **Our people** as one of the main drivers in our sustainable transition
- Our climate business game was further enrolled into our organisation
- Completion of **responsible behaviour awareness training** by the vast majority of staff in all core countries

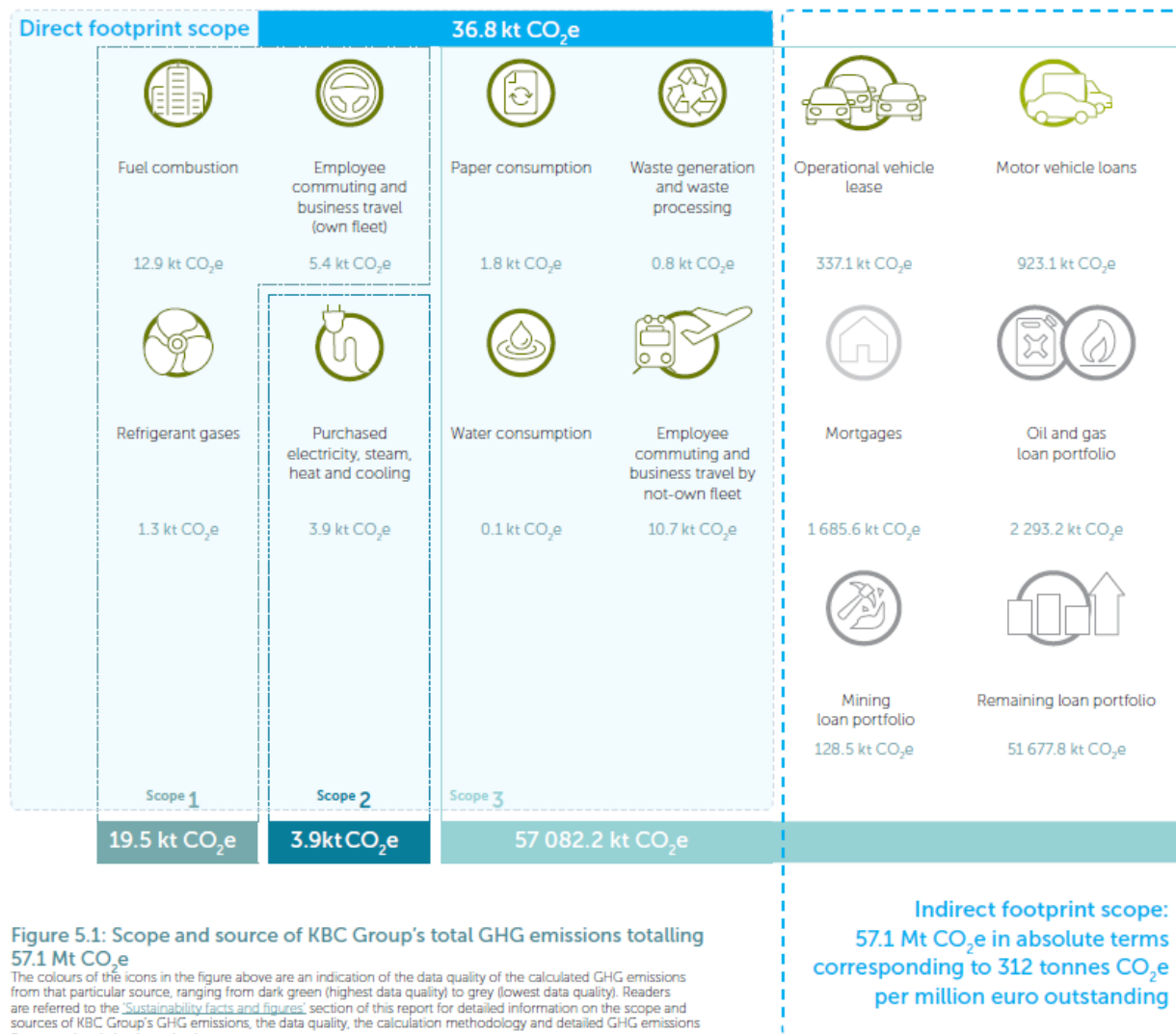


Figure 5.1: Scope and source of KBC Group's total GHG emissions totalling 57.1 Mt CO₂e
 The colours of the icons in the figure above are an indication of the data quality of the calculated GHG emissions from that particular source, ranging from dark green (highest data quality) to grey (lowest data quality). Readers are referred to the 'Sustainability facts and figures' section of this report for detailed information on the scope and sources of KBC Group's GHG emissions, the data quality, the calculation methodology and detailed GHG emissions figures and emission intensity data per sector.

DIRECT footprint scope:
 Measure, reduce and set clear targets on our direct footprint scope already since 2015.

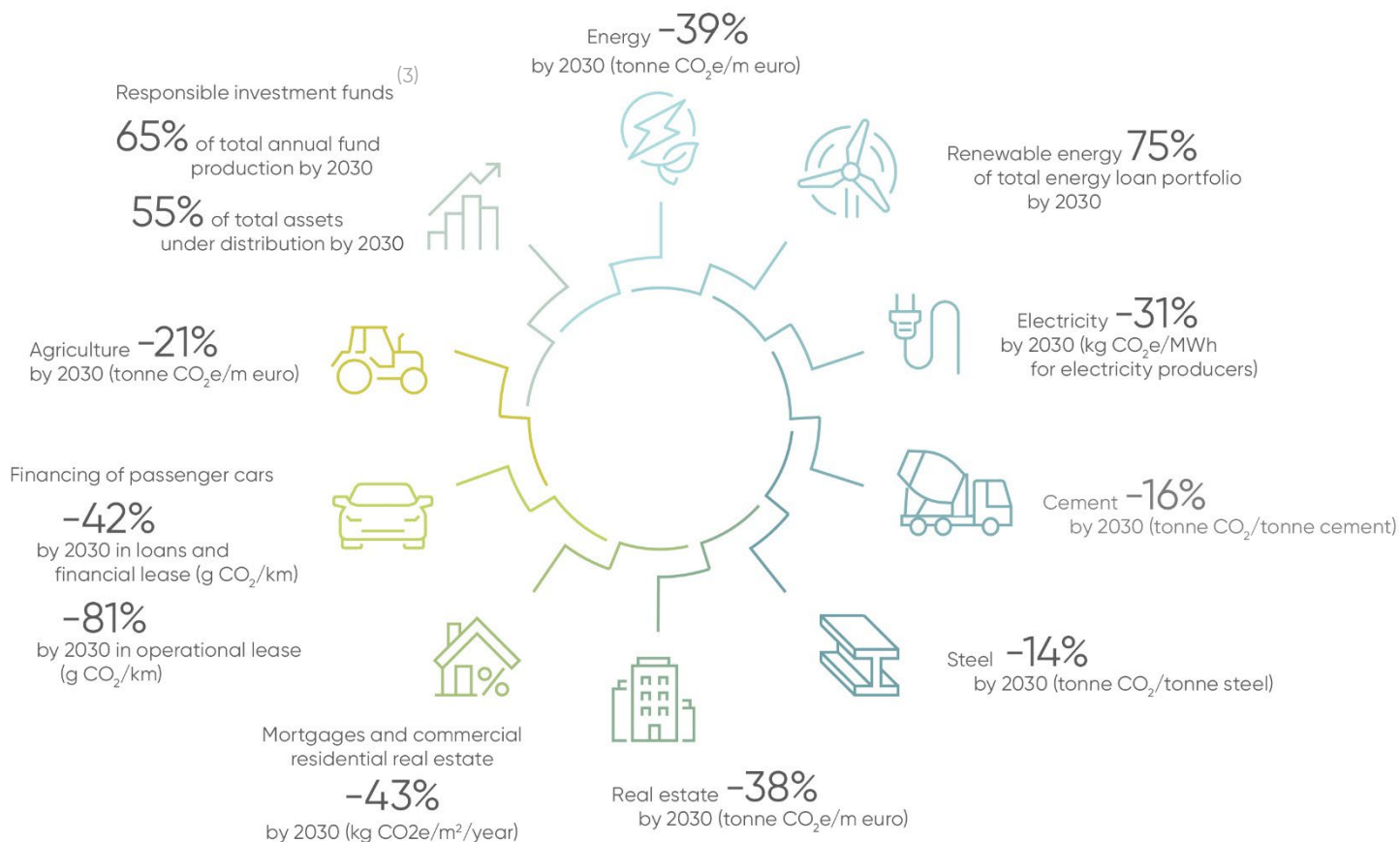
- At YE 2021, we achieved the target of **100% of renewable energy** (in % of own electricity consumption)
- We already **substantially reduced our own GHG emissions by -71% in 2021 vs -80% targeted by 2030** (reduction compared to 2015)
- In line with our commitment, we reached **net-climate neutrality by offsetting** our residual direct emissions

INDIRECT footprint scope:

- In 2021, for the first time, we have calculated the Scope 3 emissions from our loan and lease portfolio (the financed emissions)
- More details in our latest sustainability report (KBC.COM):

INDIRECT footprint

Specific targets⁽¹⁾ for reducing future GHG emissions⁽²⁾ of our lending and asset management business



- In September 2019, KBC strengthened its climate commitment by signing the **UN Collective Commitment to Climate Action (CCCA)**
- We aligned our business strategy with **the Paris Agreement** to keep global warming well below 2°C, while striving for a target of 1.5°C
- By signing the CCCA, KBC takes concrete actions **to reduce exposure to most material and climate sensitive sectors and product lines**
- The **first Climate Report** details our commitment, objectives and accomplishments in our role as a CCCA company (see KBC.COM website). The baseline data and underlying calculations **received limited assurance**

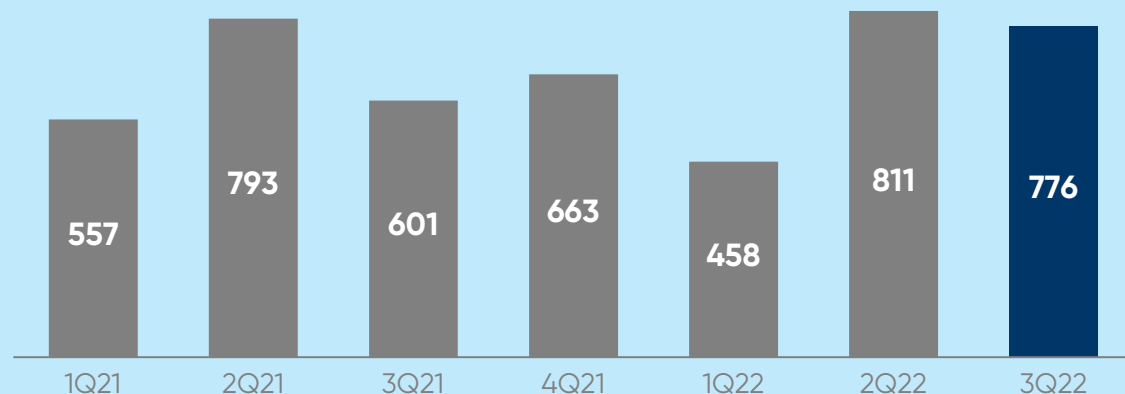


1. 2050 KBC targets available in our KBC Group Climate Report
 2. Percentage reduction compared to 2021 levels
 3. Additional target of 50% reduction of the carbon intensity of the Corporate investees by 2030 (versus the end of 2019)

Excellent 3Q22 net result of 776m EUR

NET RESULT

in m EUR



YTD ratios

Return on Equity 14%¹

Cost-income ratio excluding bank taxes 48%

Combined ratio 86%

Credit cost ratio 0.05%

CET1 ratio 15.0% (B3, DC, fully loaded)²

Leverage ratio 5.2% (fully loaded)

NSFR 140% & LCR 155%

1. When bank taxes are evenly spread throughout the year

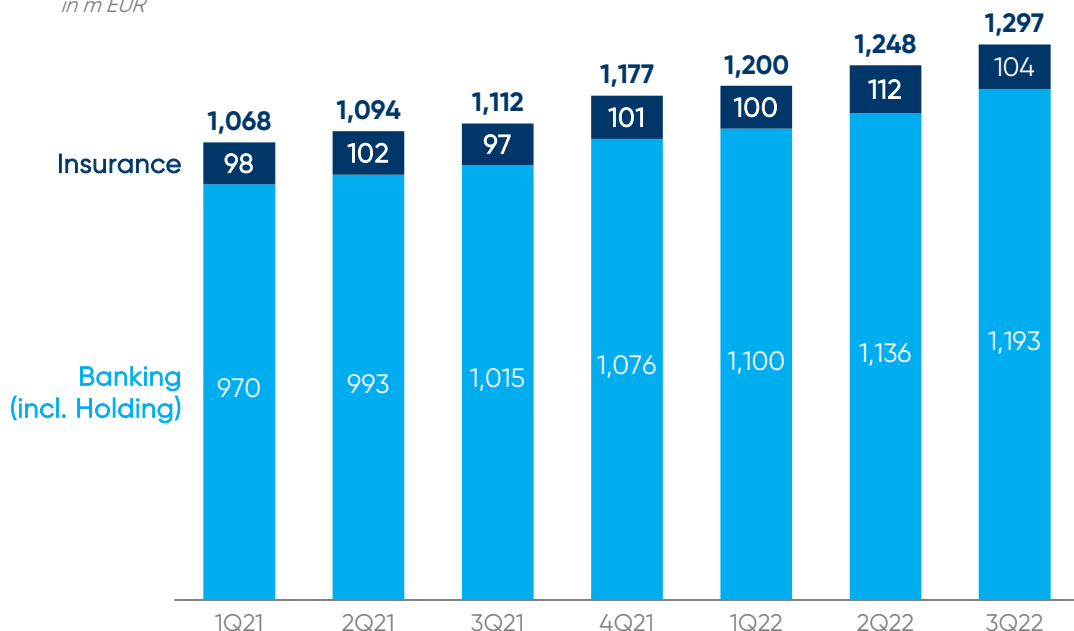
2. As of 1Q22, interim profit recognition (based on 50% profit accrual) and including the impact of acquired Raiffeisenbank Bulgaria

Highlights

- **Commercial bank-insurance franchises** in core markets performed excellently
- The **acquired Raiffeisenbank Bulgaria** has been fully consolidated as of 3Q22
- **Customer loans** and **customer deposits** increased y-o-y in almost all our core countries (on a comparable basis)
- An **inaugural social bond** was issued in 3Q22 to support the health care sector. Furthermore, **new ambitious climate targets** were set end 3Q22 as part of our first ever Climate Report
- Higher **net interest income** q-o-q
- Higher **net fee and commission income** q-o-q
- Q-o-q decrease of **net result from financial instruments at fair value** and **net other income**
- Very strong **non-life insurance** performance and lower sales of **life insurance** y-o-y
- **Costs excl. bank taxes** increased q-o-q
- Net **impairment charges**, due entirely to a 103m EUR extra creation of geopolitical & emerging risks reserve
- Solid **solvency** and **liquidity**
- **Interim dividend of 1 EUR per share** (as advance payment on the total 2022 dividend) will be paid on 16 November 2022

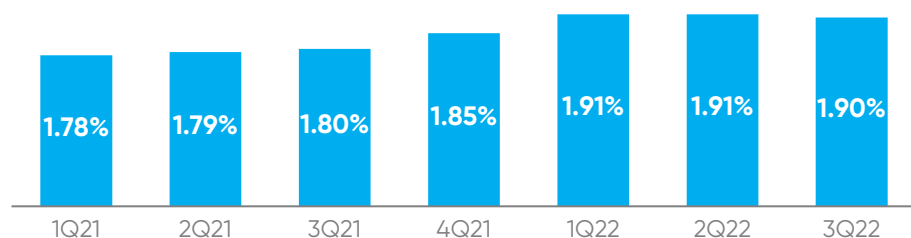
NET INTEREST INCOME

in m EUR



NET INTEREST MARGIN

in %, calculated excl. the dealing room and the net positive impact of ALM FX swaps & repos



Net interest income (1 297m EUR)

- NII increased by 4% q-o-q and by 17% y-o-y, due partly to the consolidation of Raiffeisenbank Bulgaria as of 3Q22 (+33m EUR NII in 3Q22)
- On a comparable basis, NII increased by 1% q-o-q and by 14% y-o-y, driven primarily by:
 - Organic loan volume growth
 - Increasing reinvestment yield in all core countries
 - Increased income related to funding (increased term deposits at better margins)
 - Higher number of days (q-o-q)
- partly offset by:
 - The negative effect of lower loan margins in most markets
 - Almost no charging of negative interest rates on current accounts held by corporate entities and SMEs and almost no positive tiering effect anymore
 - Lower reinvestment income of retained earnings due to the large dividend payout in the Czech Republic at the end of 2Q22 (roughly -16m EUR q-o-q)
 - Lower q-o-q NII on insurance bond portfolio (due mainly to inflation-linked bonds, mostly linked to the strong positive evolution of inflation indices in 2Q22)

Net interest margin (1.90%)

- Fell by 1 bp q-o-q and rose by 10 bps y-o-y for the reasons mentioned above and an increase in the interest-bearing assets (denominator), both q-o-q and y-o-y

Organic volume trend

	Total loans**	o/w retail mortgages	Customer deposits***
Volume	186bn	81bn	220bn
Growth q-o-q*	+2%	+1%	-2%
Growth y-o-y	+9%	+6%	+6%

* Non-annualised ** Loans to customers, excluding reverse repos (and bonds), including Ireland (under IFRS 5) and Raiffeisenbank Bulgaria. Growth figures are excluding FX, consolidation adjustments and reclassifications.

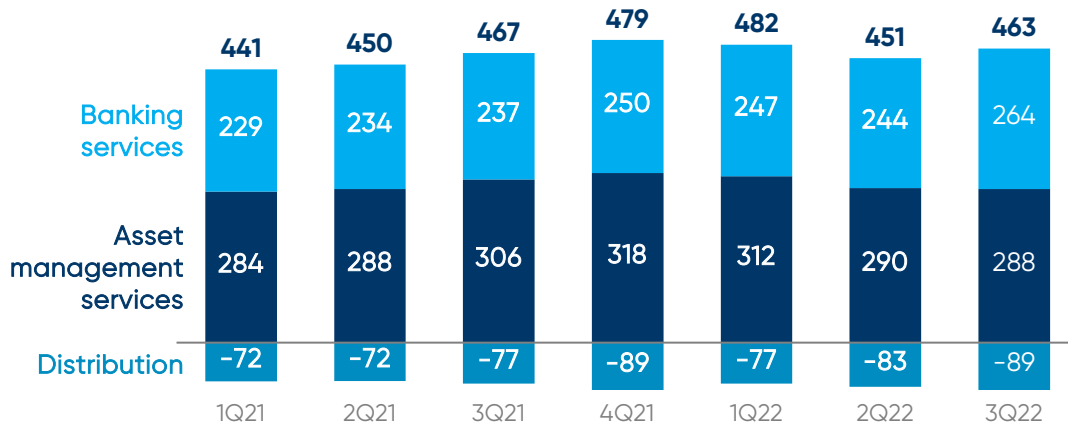
*** Customer deposits, excluding debt certificates and repos, including Ireland (under IFRS 5) and Raiffeisenbank Bulgaria.

Excluding the volatility in the foreign branches of KBC Bank (included in BU BE), customer deposits rose by 1% q-o-q and 6% y-o-y

y

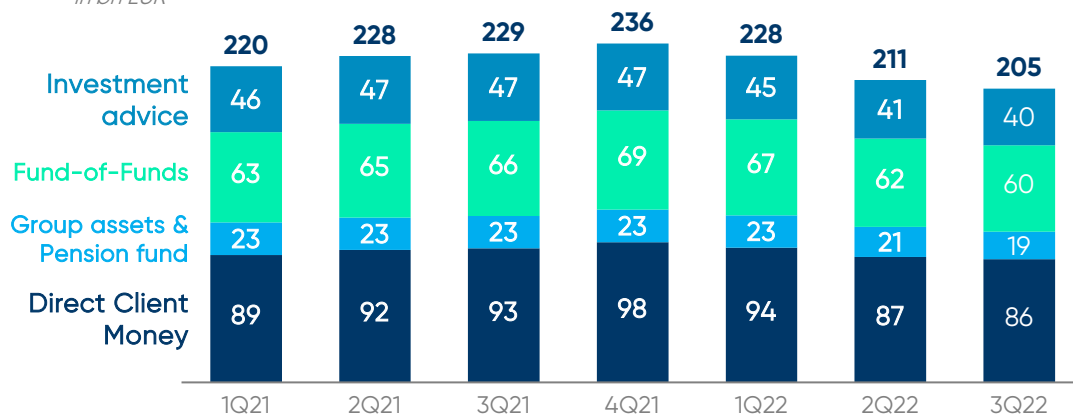
NET FEE & COMMISSION INCOME

in m EUR



ASSETS UNDER MANAGEMENT

in bn EUR



Net fee and commission income (463m EUR)

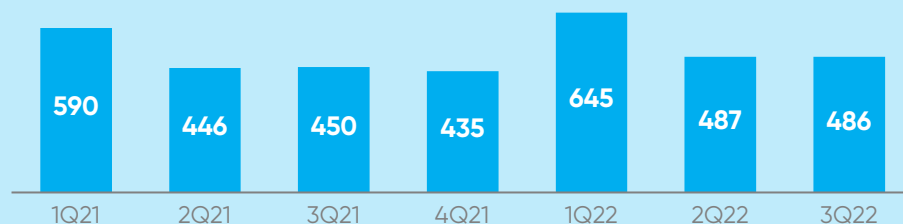
- Up by 3% q-o-q and down by 1% y-o-y (on a comparable basis, down by 2% q-o-q and by 5% y-o-y)
- Q-o-q increase was mainly the result of the following:
 - Net F&C income from Asset Management Services decreased by 1% q-o-q (due entirely to lower entry fees, as management fees stabilised in 3Q22)
 - Net F&C income from banking services increased by 8% q-o-q, almost entirely due to the consolidation of Raiffeisenbank Bulgaria as of 3Q22 (+19m EUR net F&C income in 3Q22). Higher payment-related fees and network income were largely offset by lower securities-related fees and fees from credit files & bank guarantees
 - Paid distribution costs went up by 7% q-o-q (chiefly higher commissions paid linked to banking products and increased non-life insurance sales)
- Y-o-y decrease was mainly the result of the following:
 - Net F&C income from Asset Management Services fell by 6% y-o-y (lower management and entry fees)
 - Net F&C income from banking services increased by 11% y-o-y (all types of banking services fees increased y-o-y, except securities-related fees)
 - Paid distribution costs rose by 16% y-o-y (mainly higher commissions paid linked to banking products and strong sales of insurance products)

Assets under management (205bn EUR)

- Decreased by 3% q-o-q and by 11% y-o-y due almost entirely to the negative market performance
- The mutual fund business has seen good net inflows in higher-margin direct client money this quarter, more than offset by net outflows in lower-margin investment advice and group assets

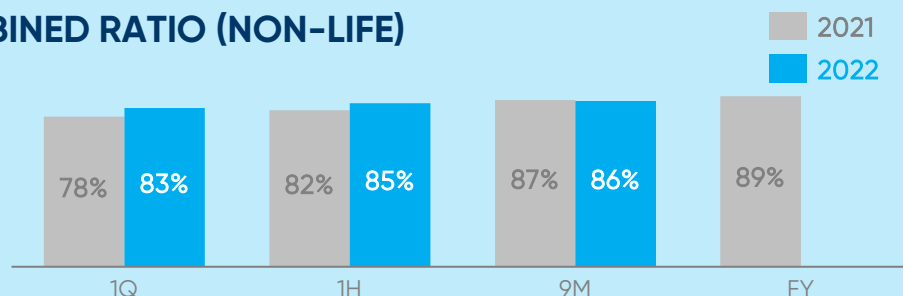
NON-LIFE SALES (GROSS WRITTEN PREMIUMS)

in m EUR



COMBINED RATIO (NON-LIFE)

in %

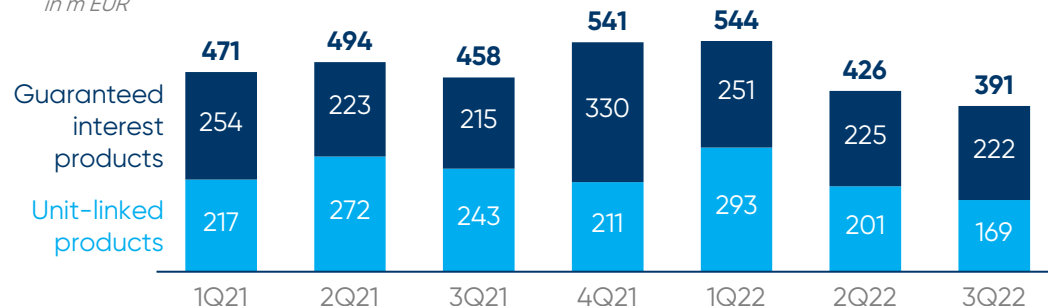


Sales of non-life insurance products

- Up by 8% y-o-y (growth in almost all classes and countries, but chiefly in the classes 'Motor Comprehensive Cover' and 'Property', as a combination of volume and tariff increases)
- **Non-life combined ratio for 9M22 amounted to an excellent 86% (87% in 9M21). This is the result of:**
 - 8% y-o-y higher earned premiums
 - 7% y-o-y higher technical charges
 - Higher ceded reinsurance result (up 8m EUR y-o-y, cf. storm recoveries)
- Note that the technical charges Life and Non-Life (after reinsurance) in 3Q 2022 included a release of technical provisions of respectively 31m EUR and 10m EUR, booked in the Czech Republic Business Unit, as a result of reassessing the confidence level of the technical provisions

LIFE SALES

in m EUR

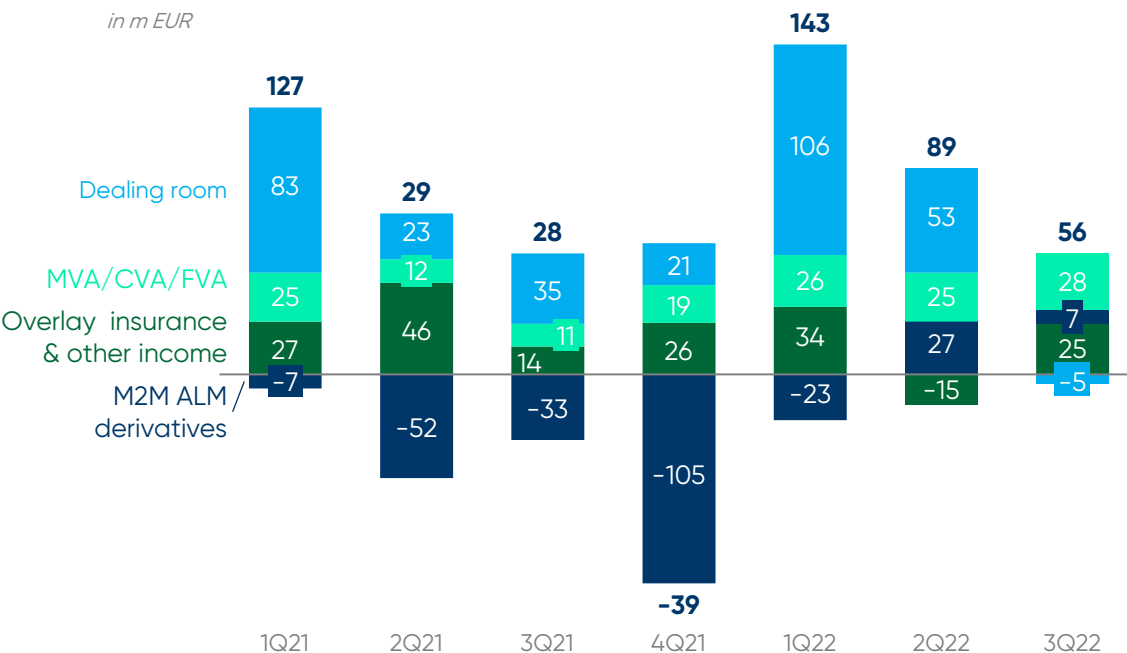


Sales of life insurance products

- Decreased by 8% q-o-q due mainly to seasonally lower sales of unit-linked products in Belgium
- Decreased by 15% y-o-y due mainly to:
 - A decrease in sales of unit-linked products in Belgium and Bulgaria partly offset by:
 - A small increase in sales of guaranteed interest products in Belgium and Bulgaria
 - An increase in sales of unit-linked products in the Czech Republic
- Sales of unit-linked products accounted for 43% of total life insurance sales in 3Q22

FIFV

in m EUR



▪ The 33m EUR q-o-q decrease in FIFV was attributable mainly to:

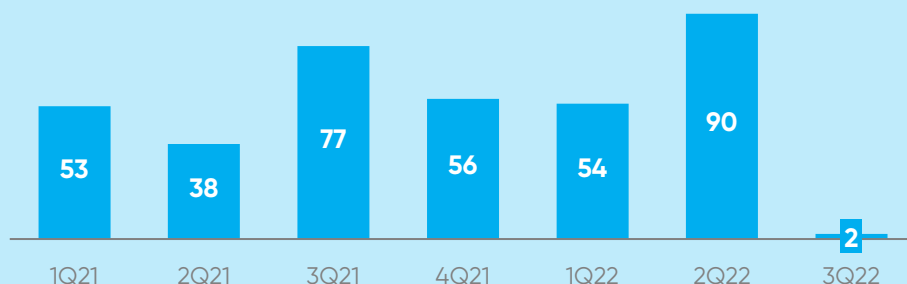
- Significantly lower dealing room
- Less positive change in ALM derivatives

partly offset by:

- Higher net result on equity instruments (insurance) & other income
- More positive credit value adjustments have been only partly offset by less positive funding value adjustments. Like in the previous quarters, the benefits of increased yield curves and decreased funding exposures in 3Q22 have been only partly compensated by increased counterparty credit spreads due to geopolitical risk and decrease of equity markets

NET OTHER INCOME

in m EUR

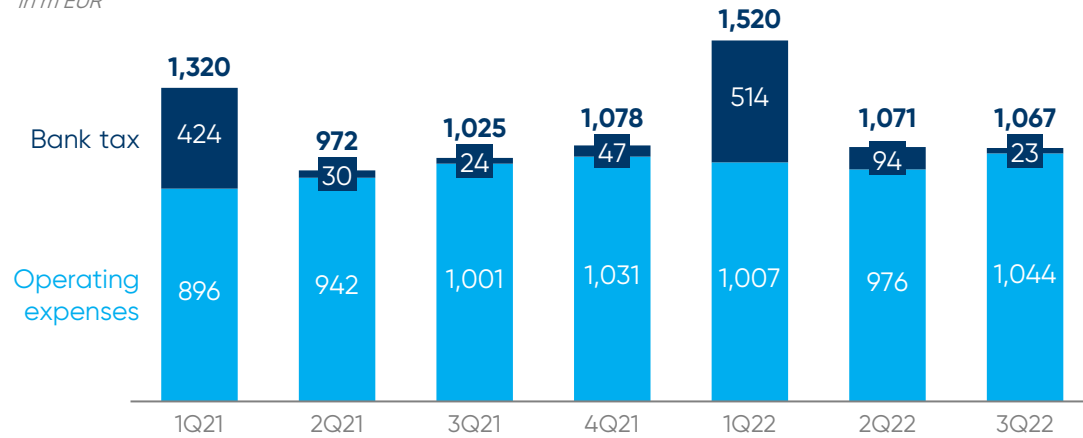


▪ Net other income amounted to 2m EUR

- Sharply lower than the normal run rate of around 50m EUR per quarter
- Due mainly to realised losses on the sale of bonds in 3Q22 (versus a one-off 68m EUR realised gain on the sale of real estate subsidiary at KBC Insurance in 2Q22)

OPERATING EXPENSES

in m EUR



BANK TAX SPREAD 2022 (PRELIMINARY**)

in m EUR

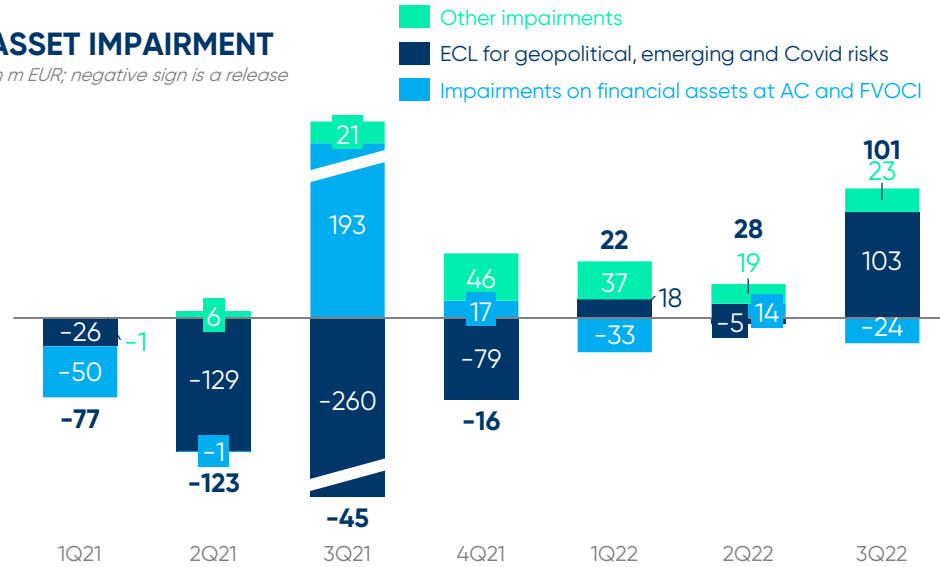
	TOTAL	Upfront			Spread out over the year			
	3Q22	1Q22	2Q22	3Q22	1Q22	2Q22	3Q22	4Q22e
BE BU	-1	354	-4	-1	0	0	0	0
CZ BU	0	60	-1	0	0	0	0	1
Hungary	22	56	78	0	21	22	22	25
Slovakia	0	6	0	0	0	0	0	0
Bulgaria	0	12	-2	0	0	0	0	0
Ireland & Group Centre	1	3	1	0	1	1	1	0
TOTAL	23	492	72	-1	23	23	23	26

- Operating expenses excluding bank taxes** went up by 7% q-o-q and by 4% y-o-y. When excluding the 26m EUR consolidation impact of Raiffeisenbank Bulgaria in 3Q22, opex excluding bank taxes increased by 4% q-o-q and by 2% y-o-y
 - The like-for-like q-o-q increase is due mainly to additional negative one-off costs related to the sales transaction in Ireland (-15m EUR in 3Q22 versus -2m EUR in 2Q22), the impact of inflation/wage indexation, higher facility expenses, higher depreciations as well as higher professional fee expenses, partly offset by (seasonally) lower ICT and marketing expenses
 - The like-for-like y-o-y increase is due to, among other things, higher ICT expenses, inflation/wage indexation, higher facility expenses and higher professional fee expenses, partly offset by less negative one-off costs related to the sales transactions in Ireland (-15m EUR in 3Q22 versus -81m EUR in 3Q21)
- Like-for-like, operating expenses excluding FX, bank taxes and one-offs** rose by 6% y-o-y in 9M22
- YTD cost/income ratio**
 - 54% when evenly spreading the bank taxes over the year and excluding certain non-operating items* (55% in FY21)
 - 48% excluding all bank taxes (51% in FY21)
- Total bank taxes (including ESRF contribution)** are expected to increase by 25% y-o-y to 657m EUR in 2022

* See glossary for the exact definition ** Still subject to changes

ASSET IMPAIRMENT

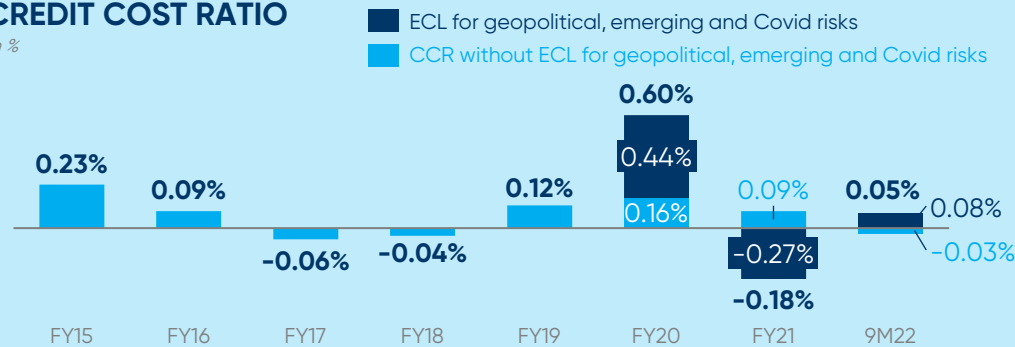
in m EUR; negative sign is a release



- **Net loan loss impairment releases on lending book, more than offset by an increased geopolitical & emerging risk buffer**
 - Net loan loss impairment charges of 79m EUR in 3Q22 (compared with 9m EUR charges in 2Q22) due to:
 - 24m EUR net loan impairment reversals on lending book
 - An increase of 103m EUR due to the uncertainties surrounding geopolitical and emerging risks (net of roughly 7m EUR recoveries of Russian exposures)
 - Total outstanding ECL for geopolitical and emerging risks now stands at 387m EUR (see details on next slide)
 - 23m EUR impairment on 'other', due mainly to:
 - 24m EUR modification losses, largely related to the extension of the interest cap regulation in Hungary until mid-2023

CREDIT COST RATIO

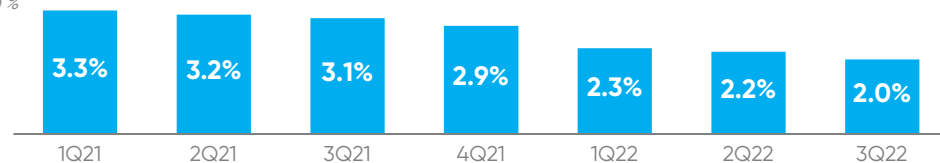
in %



- **The credit cost ratio in 9M22 amounted to:**
 - -3bps (9bps in FY21) without ECL for geopolitical, emerging and Covid risks
 - 5bps (-18bps in FY21) with ECL for geopolitical, emerging and Covid risks

IMPAIRED LOANS RATIO

in %



- **The impaired loans ratio improved to 2.0%** (1.1% of which over 90 days past due)

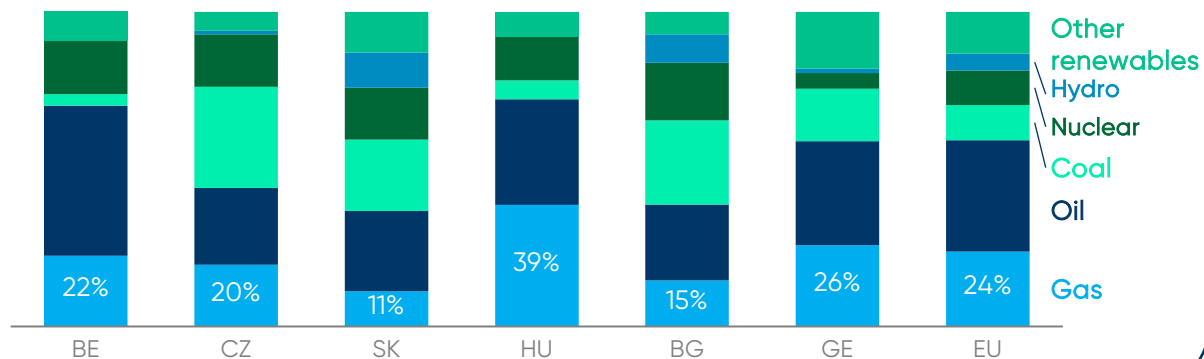
A	No direct subsidiaries	KBC has no direct subsidiaries in Russia (R), Belarus (B) or Ukraine (U)
B	Very limited <u>direct</u> credit exposure	Direct transfer risk exposure amounts to approx. 28m EUR ECL (-7m EUR q-o-q) (mainly concentrated in commercial exposure on Russian banks) down from 35m EUR in 2Q22 due to recoveries from these counterparties. No exposure on Russian sovereign debt <i>negative sign is a release</i>
C	<u>Indirect credit impact: counterparties*</u>	Counterparties-at-risk: (total client credit exposure on group level) <ul style="list-style-type: none"> • Corp & SME with >20% sales, cost or profit in R, B or U • Corp & SME directly impacted by possible disruption of Russian oil and gas supplies → Outstanding exposure**: 3.1bn EUR (up from 2.0bn EUR) → ECL*: 49m EUR (+16m EUR q-o-q) The increase is driven mainly by an extended list of energy sensitive sectors following a prolonged disruption in gas supplies
D	<u>Emerging risks (secondary indirect credit impact): portfolios/(sub)sectors*</u>	Vulnerable clients in retail and non-retail portfolios/(sub)sectors impacted by newly emerging risks (energy prices/supply bottlenecks/higher cost of living and rising interest rates) → Outstanding exposure**: 9.0bn EUR (up from 6.3bn EUR) → ECL*: 245m EUR (+77m EUR q-o-q) The increase was driven mainly by recent inflation dynamics and energy prices, resulted in an extended list of sectors and retail clients
E	Macroeconomic scenarios	Downward revision of macroeconomic forecasts and probabilities to 55%/1%/44% (for base-case/optimistic/pessimistic scenario) → ECL: 49m EUR (+17m EUR q-o-q)
F	Raiffeisenbank Bulgaria	First-time consolidation of the Bulgarian activities of Raiffeisenbank International → ECL: 16m EUR (no P&L impact)
Estimated outstanding ECL		<div style="text-align: center;"> A + B + C + D + E + F = 387m EUR (+103m q-o-q) </div>

* Estimate of impairment (in C and D): it is expected that PDs of listed counterparties and portfolios/sectors at risk will change in the future even though this is not reflected in the current financial figures. To capture this impact (i.e. forward-looking IFRS 9), a collective transfer to stage 2 is accompanied by an ECL management overlay (by applying conservative Stage 2 and Stage 3 cover rates), taking expected PD downgrades into account.

** Aligned with the credit risk view of our loan portfolio as reported in the quarterly financial statements.

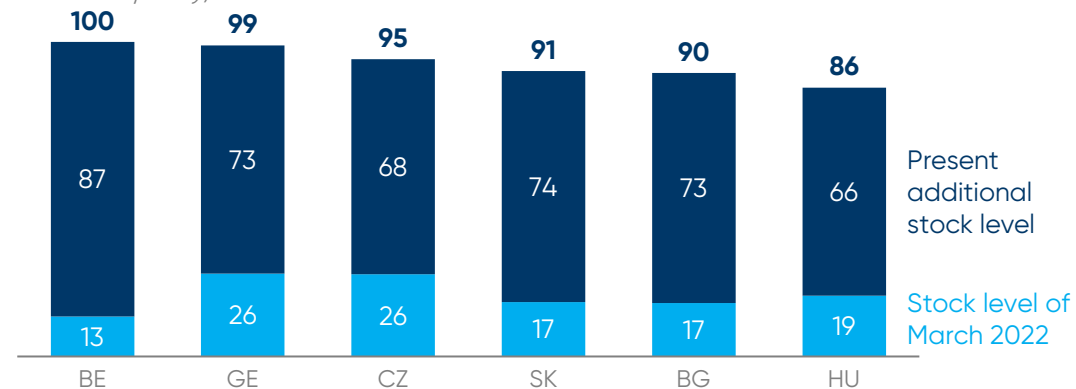
PRIMARY ENERGY CONSUMPTION | DECOMPOSITION

in fraction of Joules consumed; Source: BP



NATURAL GAS STOCK LEVEL | AS ON 31/OCT/22

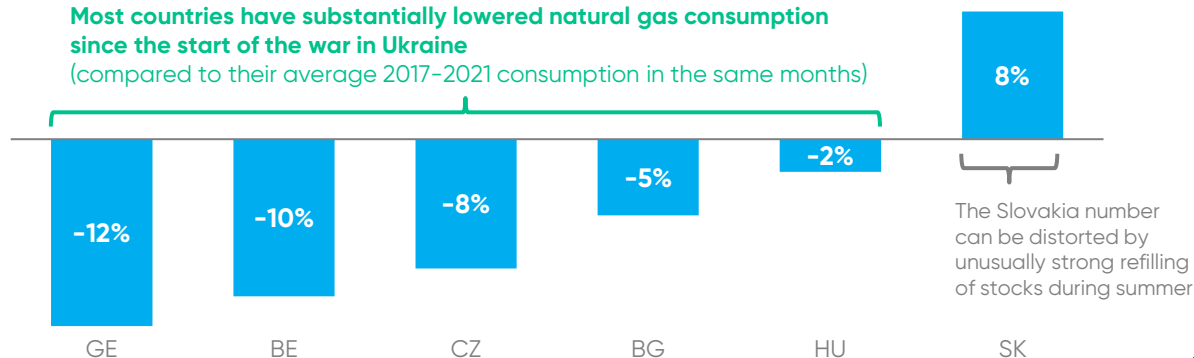
in % of capacity; Source: KBC Economics based on GIE



NATURAL GAS CONSUMPTION MAR-SEP | 2022 VS AVG 2017-2021

in %; Source: KBC Economics based on Eurostat

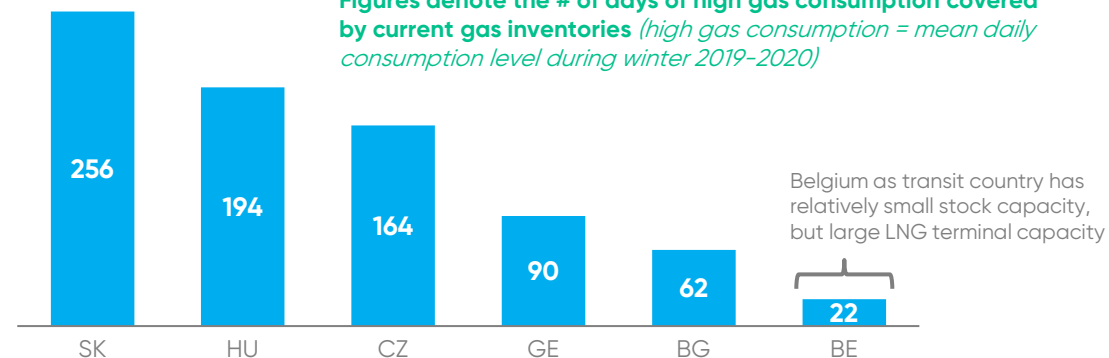
Most countries have substantially lowered natural gas consumption since the start of the war in Ukraine (compared to their average 2017-2021 consumption in the same months)



NATURAL GAS COVERAGE | AS ON 31/OCT/22

in %; Source: KBC Economics based on GIE, Eurostat

Figures denote the # of days of high gas consumption covered by current gas inventories (high gas consumption = mean daily consumption level during winter 2019-2020)



CREDIT COST RATIO*

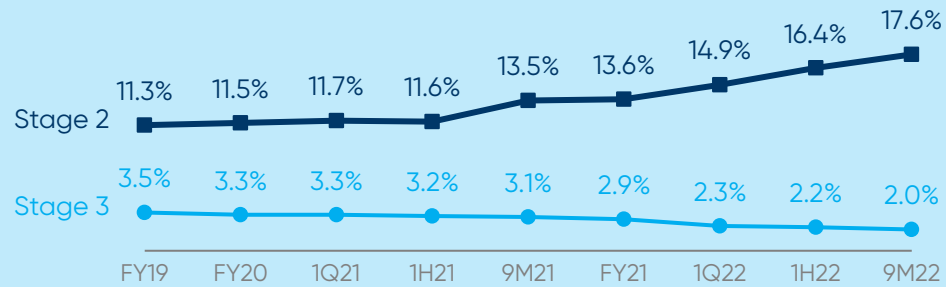
in %; Credit cost ratio: amount of losses incurred on troubled loans as a % of total average outstanding loan portfolio

	9M22	FY21	FY20	FY19	FY18	FY17	AVERAGE '99 – '21
Belgium BU	-0.01%	-0.26%	0.57%	0.22%	0.09%	0.09%	n/a
Czech Republic BU	0.08%	-0.42%	0.67%	0.04%	0.03%	0.02%	n/a
International Markets BU*	0.28%	0.36%	0.78%	-0.07%	-0.46%	-0.74%	n/a
Group Centre BU*	0.02%	0.28%	-0.23%	-0.88%	-0.83%	0.40%	n/a
Total	0.05%	-0.18%	0.60%	0.12%	-0.04%	-0.06%	0.40%

* As of 1Q 2022, KBC Ireland has been shifted from International Markets BU to Group Centre BU. No restatements have been made

TOTAL LOAN PORTFOLIO OUTSTANDING – BY IFRS9 ECL STAGE*

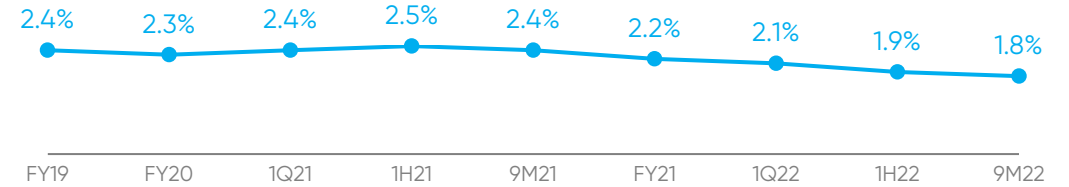
in %; as % of total Group loan portfolio outstanding



- Decrease of Stage 3 portfolio is mainly related to the sale of non-performing portfolio of Ireland
- As of 2H21, the increase of the Stage 2 portfolio resulted mainly from collective transfer to Stage 2 of Stage 1 portfolios for the impact of Covid and the Czech interest rate increases.
- In 2022, an additional exposure was transferred to Stage 2 linked to the geopolitical and emerging risks, partly compensated in 2Q22 by the full release of the collective transfer of Covid
- Excluding these collective transfers, no general deterioration has been observed in our portfolio

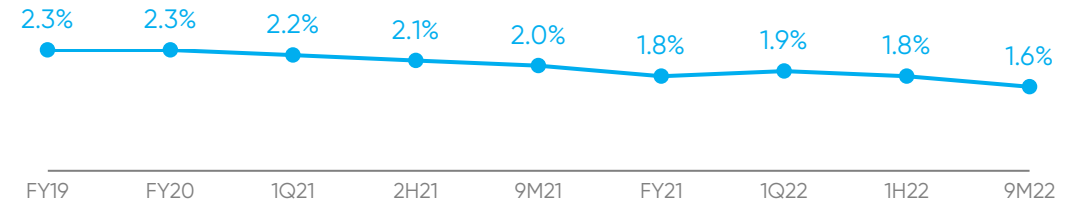
STAGE 3 RATIO | BELGIUM BU

in %



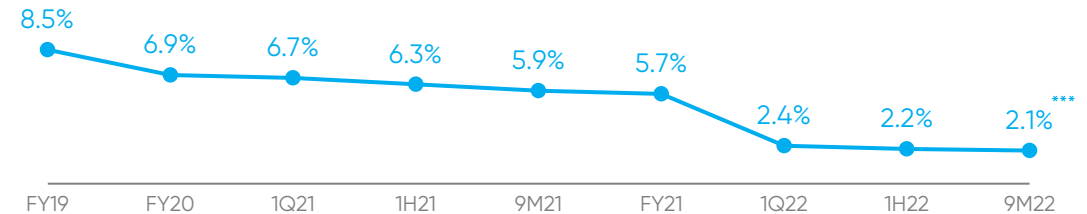
STAGE 3 RATIO | CZECH REPUBLIC BU

in %



STAGE 3 RATIO | INTERNATIONAL MARKETS BU**

in %



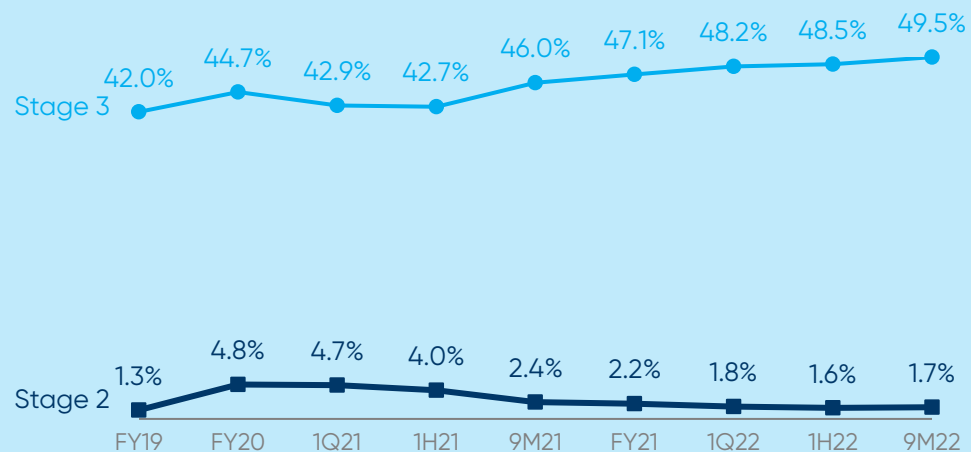
* Aligned with the credit risk view of our loan portfolio as reported in the quarterly financial statements

** As of 1Q 2022, KBC Ireland has been shifted from International Markets BU to Group Centre BU. No restatements have been made

*** As of 3Q 2022 including Raiffeisenbank Bulgaria with a Stage 3 ratio of 2.7%

COVER RATIO – BY IFRS9 ECL STAGE*

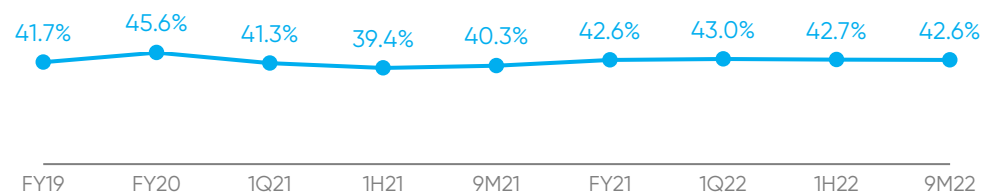
in %



- The increase of the Stage 3 cover ratio is driven mainly by the sale of non-performing mortgage loans of Ireland
- The q-o-q increase of the Stage 3 cover ratio is driven mainly by an increase of the coverage of BU following the acquisition of Raiffeisenbank Bulgaria
- From 2H21, the decline of the Stage 2 cover ratio resulted mainly from collective shifts to Stage 2 (linked to the geopolitical and emerging risks, partly compensated in 2Q22 by the full release of the collective transfer of Covid)

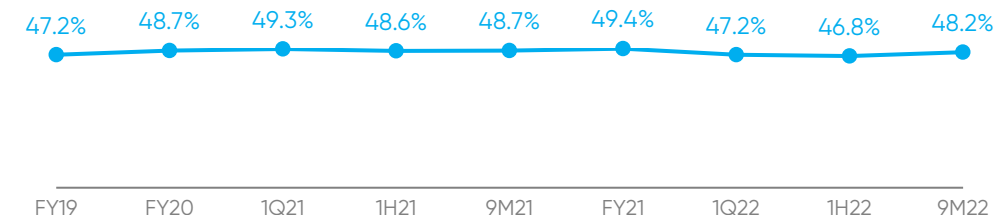
STAGE 3 COVER RATIO | BELGIUM BU

in %



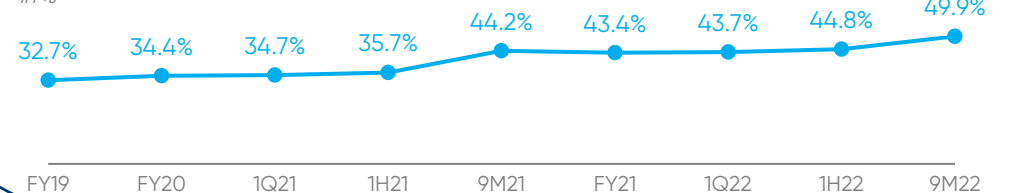
STAGE 3 COVER RATIO | CZECH REPUBLIC BU

in %



STAGE 3 COVER RATIO | INTERNATIONAL MARKETS BU**

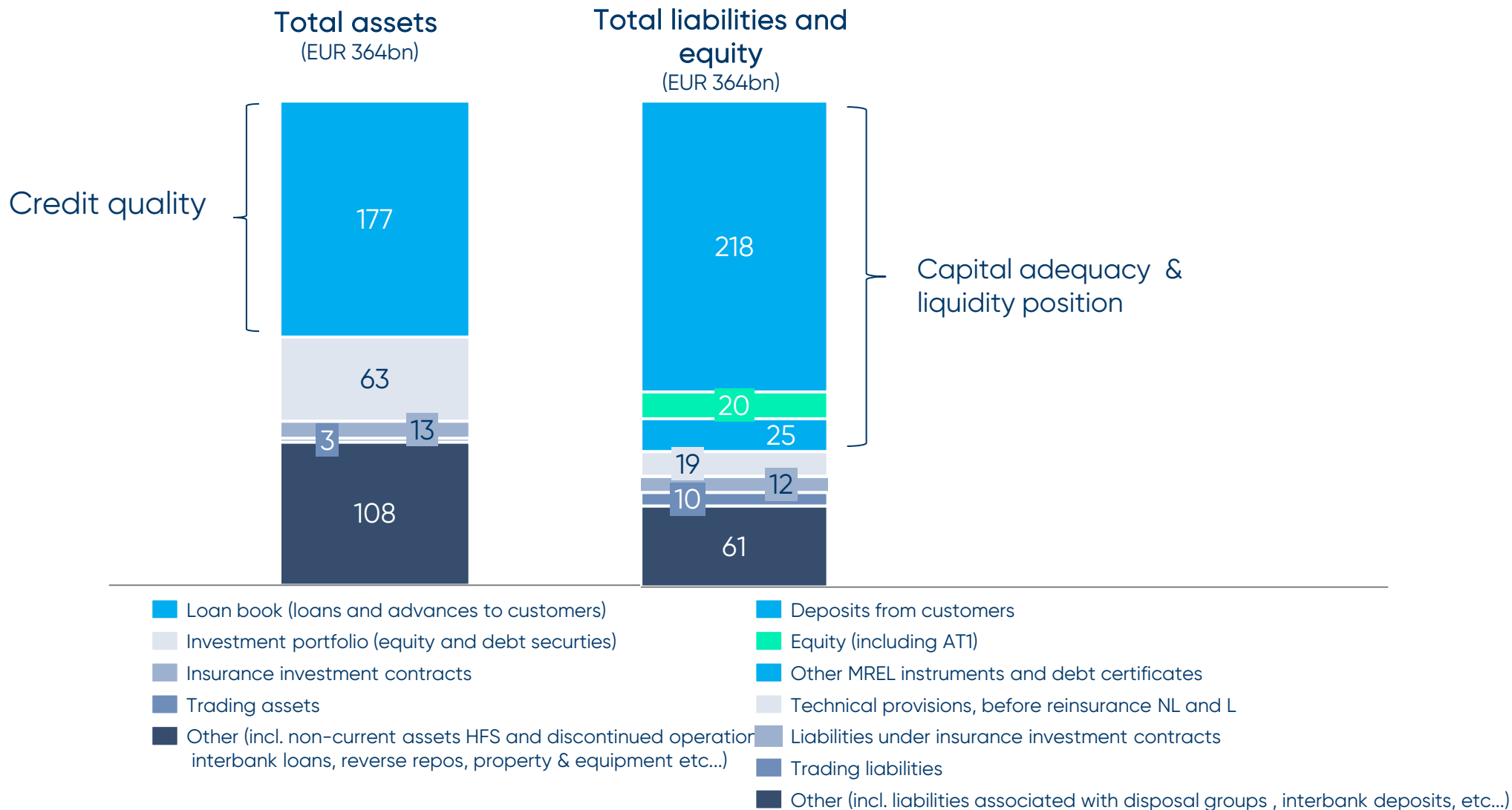
in %



* Aligned with the credit risk view of our loan portfolio as reported in the quarterly financial statements

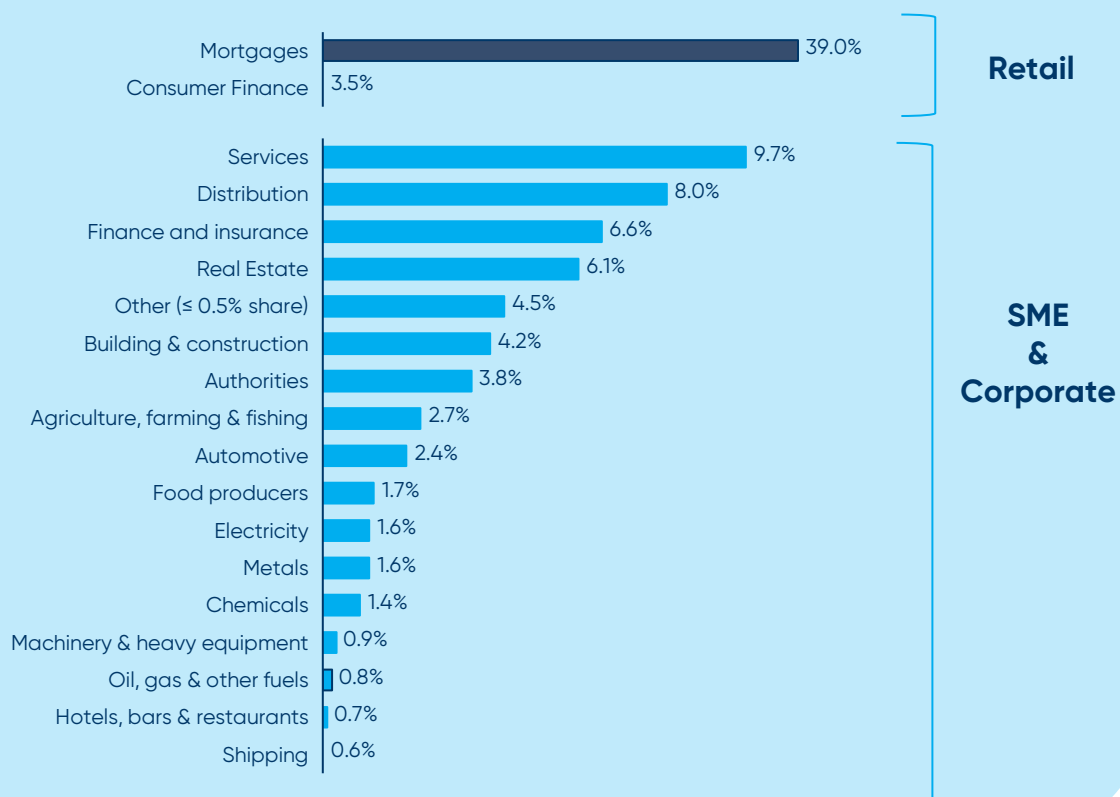
** As of 1Q 2022, KBC Ireland has been shifted from International Markets BU to Group Centre BU. No restatements have been made

*** As of 3Q 2022 including Raiffeisenbank Bulgaria with a coverage ratio of 63%



TOTAL LOAN PORTFOLIO OUTSTANDING – BY SECTOR

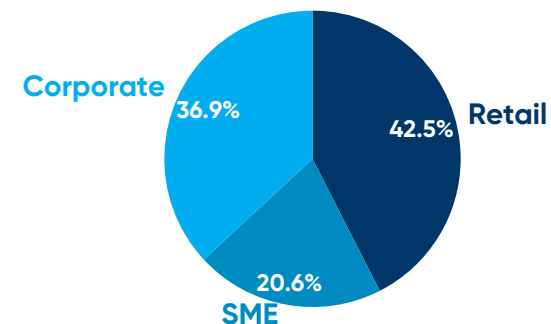
as % of total Group loan portfolio outstanding*



Total loan portfolio outstanding 207bn EUR Group level**

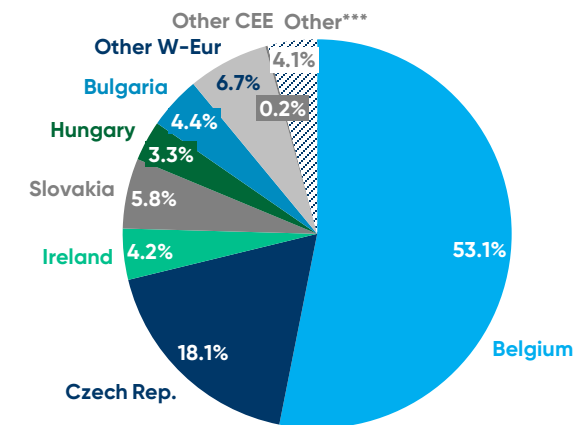
TOTAL LOAN PORTFOLIO OUTSTANDING – BY SEGMENT

as % of total Group loan portfolio outstanding*



TOTAL LOAN PORTFOLIO OUTSTANDING – BY GEOGRAPY

as % of total Group loan portfolio outstanding*

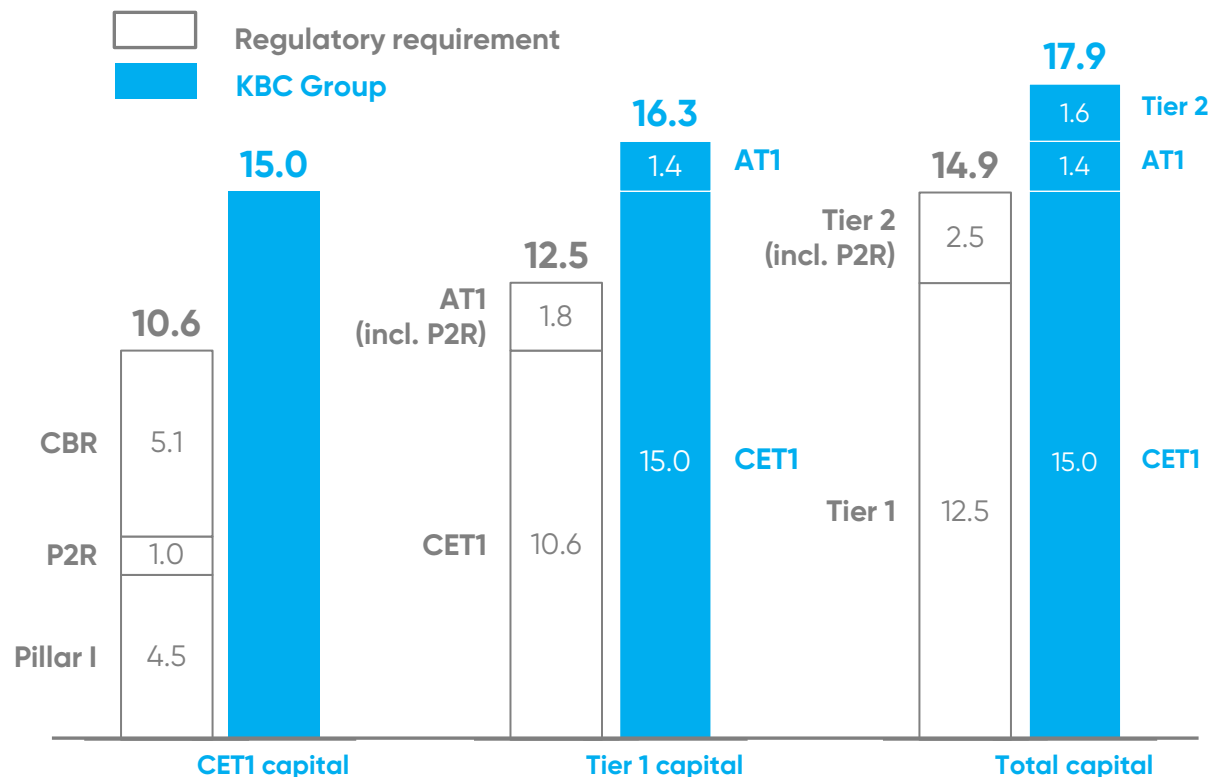


* Aligned with the credit risk view of our loan portfolio as reported in the quarterly financial statements

** Including loan portfolio of KBC Bank Ireland and Raiffeisenbank Bulgaria as of 3Q22 (+4.4bn EUR). The pro-forma total loan portfolio outstanding without KBC Bank Ireland amounts to 198bn EUR.

*** 'Other' includes 0.01% of the outstanding portfolio to Russia and Ukraine

CAPITAL REQUIREMENTS AND DISTANCE TO MAXIMUM DISTRIBUTABLE AMOUNT (MDA) RESTRICTIONS AS AT 30 SEP'22 (FULLY LOADED, B3) in %



Fully loaded B3 common equity ratio amounted to 15.0% at the end of 9M22 based on the Danish Compromise. As of 1Q22, interim profit recognition (based on 50% profit accrual)

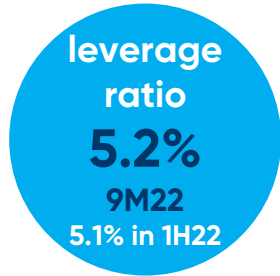
- **P2R 1.86% (= Pillar II requirement)**
1.05% to be met with CET1, 35bps eligible for AT1 and 46bps for Tier 2
- **CBR 5.07% (= Combined buffer requirement)**
2.50% Capital conservation buffer
1.50% O-SII buffer
0.75% Countercyclical buffer
0.32% Systemic risk buffer
- **MDA 12.0%**
i.e. the net of the CET1 ratio (15.0%) and the MDA buffer (3.0%)

Total distributable items (under Belgian Gaap) KBC Group 9.7bn EUR at 9M22, of which:

- available reserves: 949m EUR
- Accumulated profits: 5 063m EUR

LEVERAGE RATIO | KBC GROUP

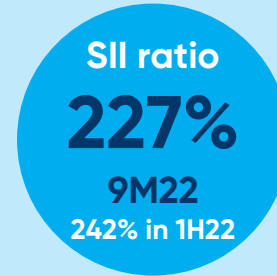
fully loaded, Basel 3



Roughly stable q-o-q leverage ratio

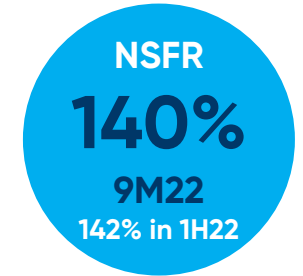
Note that as of 1Q22, interim profit is recognized (based on 50% profit accrual)

SOLVENCY II RATIO | KBC INSURANCE



The q-o-q delta (-15pp) in the Solvency II ratio was driven mainly by higher interest rates combined with flattening yield curves and lower equity markets

LIQUIDITY RATIOS | KBC GROUP



Both LCR* and NSFR** were well above the regulatory requirement of 100% due to a strong growth in customer funding and the participation to TLTRO III

* Net Stable Funding Ratio (NSFR) is based on KBC Bank's interpretation of the proposal of CRR amendment.

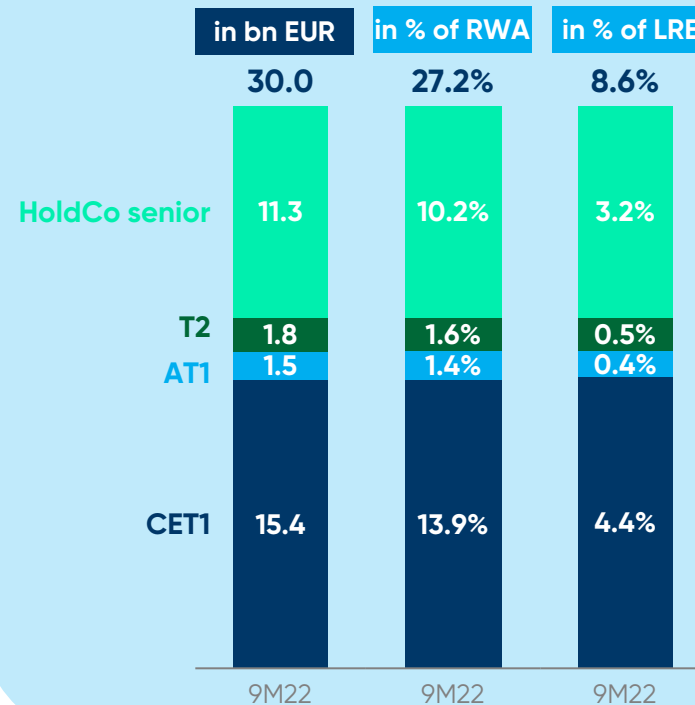
** Liquidity Coverage ratio (LCR) is based on the Delegated Act requirements. From EOY2017 onwards, KBC Bank discloses 12 months average LCR in accordance with EBA guidelines on LCR disclosure.

MREL targets

- The resolution plan for KBC is based on a **Single Point of Entry (SPE)** approach at KBC Group level, with **bail-in** as the preferred resolution tool
- In 2Q22, the SRB communicated to KBC updated final MREL targets (under BRRD2) for 01-01-2024, expressed as a percentage of Risk Weighted Assets (RWA) and Leverage Ratio Exposure Amount (LRE)
- The new binding MREL targets (incl. CBR on top of the MREL target in % of RWA) are:
 - 27.46% of RWA** as from 01-01-2024 (including CBR* of 5.07% as from 4Q2023), with an intermediate target as from 01-01-2022, reaching 26.35% at YE2022 (including CBR* of 4.72%)
 - 7.41% of LRE** as from 01-01-2024, with an intermediate target of 7.34% of LRE as from 01-01-2022

* Combined Buffer Requirement = Conservation Buffer (2.5%) + O-SII buffer (1.5%) + Countercyclical Buffer (0.40% for 2022 and 0.75% as from 4Q 2023) + Systemic Risk Buffer (0,32%)

MREL actuals

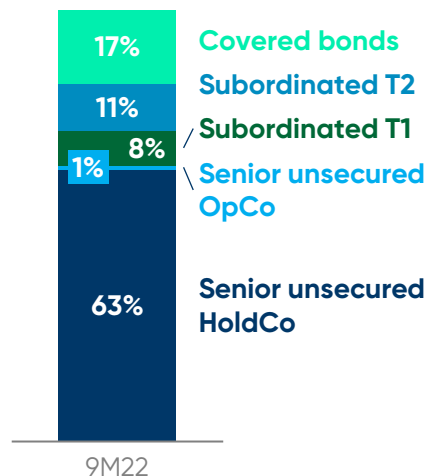


- The **MREL ratio in % of RWA** decreased from 27.6% in 2Q22 to 27.2% in 3Q22. This is due to the increase of the RWA in 3Q22, driven mainly by the acquisition of Raiffeisenbank Bulgaria. The negative impact of the RWA increase is partially offset by the issuance of new HoldCo Senior instruments
- The **MREL ratio in % of LRE** increased from 8.2% in 2Q22 to 8.6% in 3Q22, driven by the issuance of new HoldCo Senior instruments

TOTAL OUTSTANDING

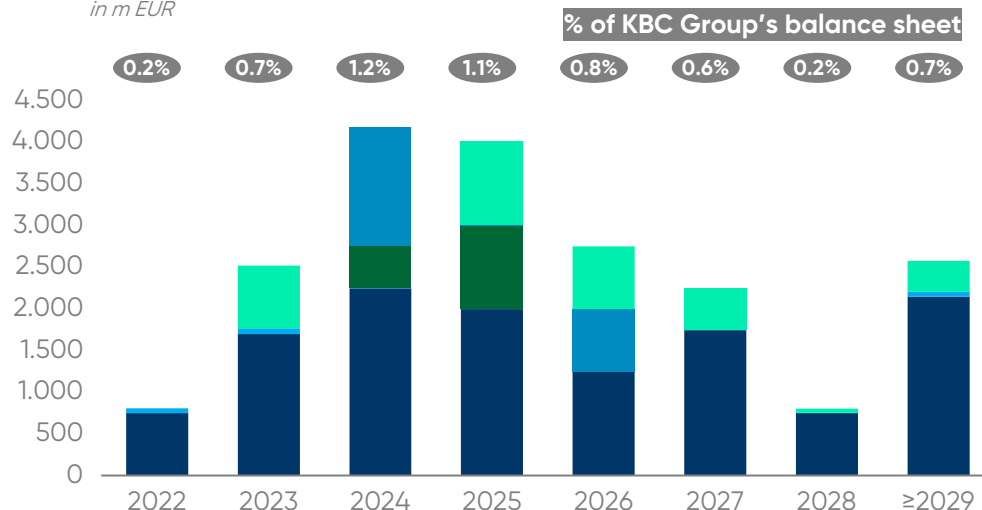
in %

Total outstanding 19.9bn EUR



FUNDING MATURITY BUCKETS

in m EUR



KBC Bank has 6 solid sources of long-term funding:

- Retail term deposits
- Retail EMTN
- Public benchmark transactions
- Covered bonds
- Structured notes and covered bonds using the private placement format
- Senior unsecured, T1 and T2 capital instruments issued at KBC Group level and down-streamed to KBC Bank

FUNDING PROGRAM 9M22

In 9M 2022, KBC issued in total 4.400m EUR, of which:

- In **August 2022**, KBC Group issued a senior social benchmark for an amount of 750m EUR with an 8-year maturity
- In **September 2022**, KBC Group issued 100m EUR 12Y via Private Placements
- Also in **September 2022**, 425m GBP senior holdco 6NC5 was issued

EXPECTED MREL FUNDING PROGRAM

in bn EUR



We aim to issue 1 green/social bond per year

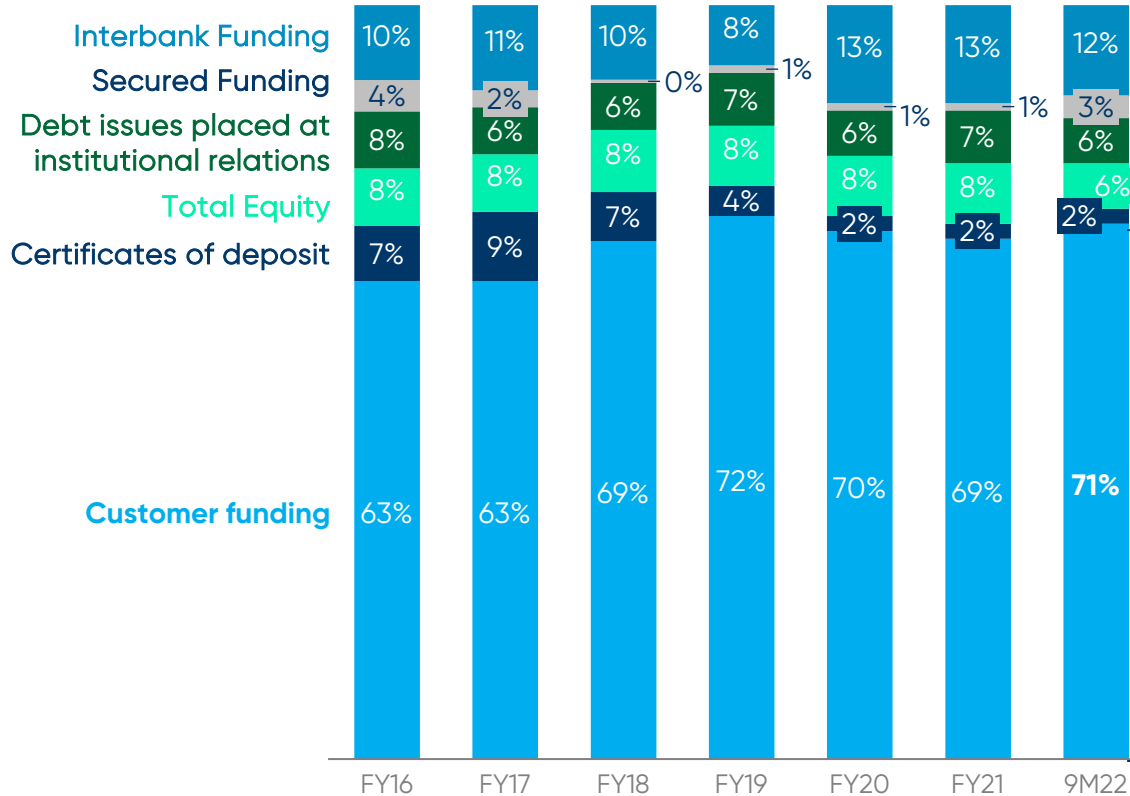
Note: any change in regulatory requirements, RWA evolutions, MREL targets or market circumstances can change the current disclosed range

* Expected funding plan modified due to a delay of transaction approval of the sale of substantially all of KBC Bank Ireland's performing loan assets and its deposit book

- KBC Bank continues to have a **strong retail/mid-cap deposit base** in its core markets – resulting in a **stable funding mix** with a significant portion of the funding attracted from core customer segments and markets
- **Stable % in customer funding** compared to balance sheet total (but net growth in customer funding in absolute terms)
- KBC **Bank participated to the TLTRO III** for a total exposure of 24.5bn EUR which is reflected in the 'Interbank Funding' item below

FUNDING BASE

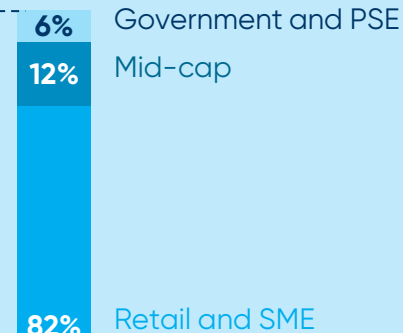
in %



Zoom on customer funding

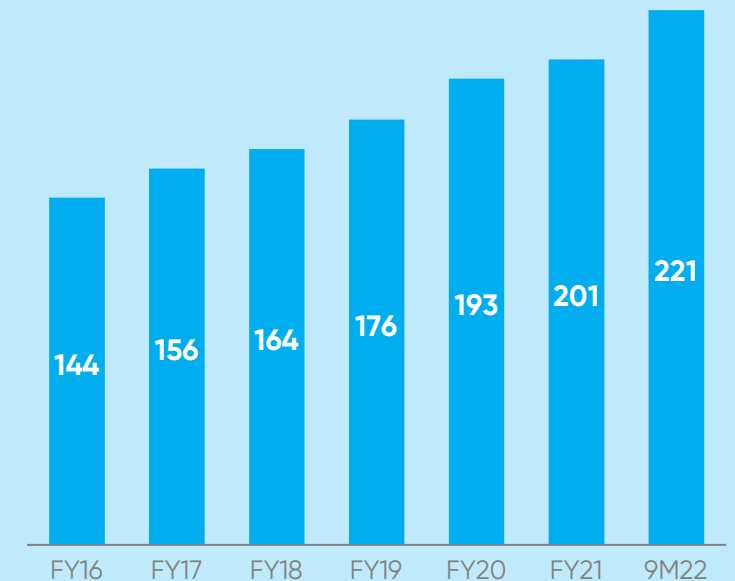
CUSTOMER FUNDING

in %



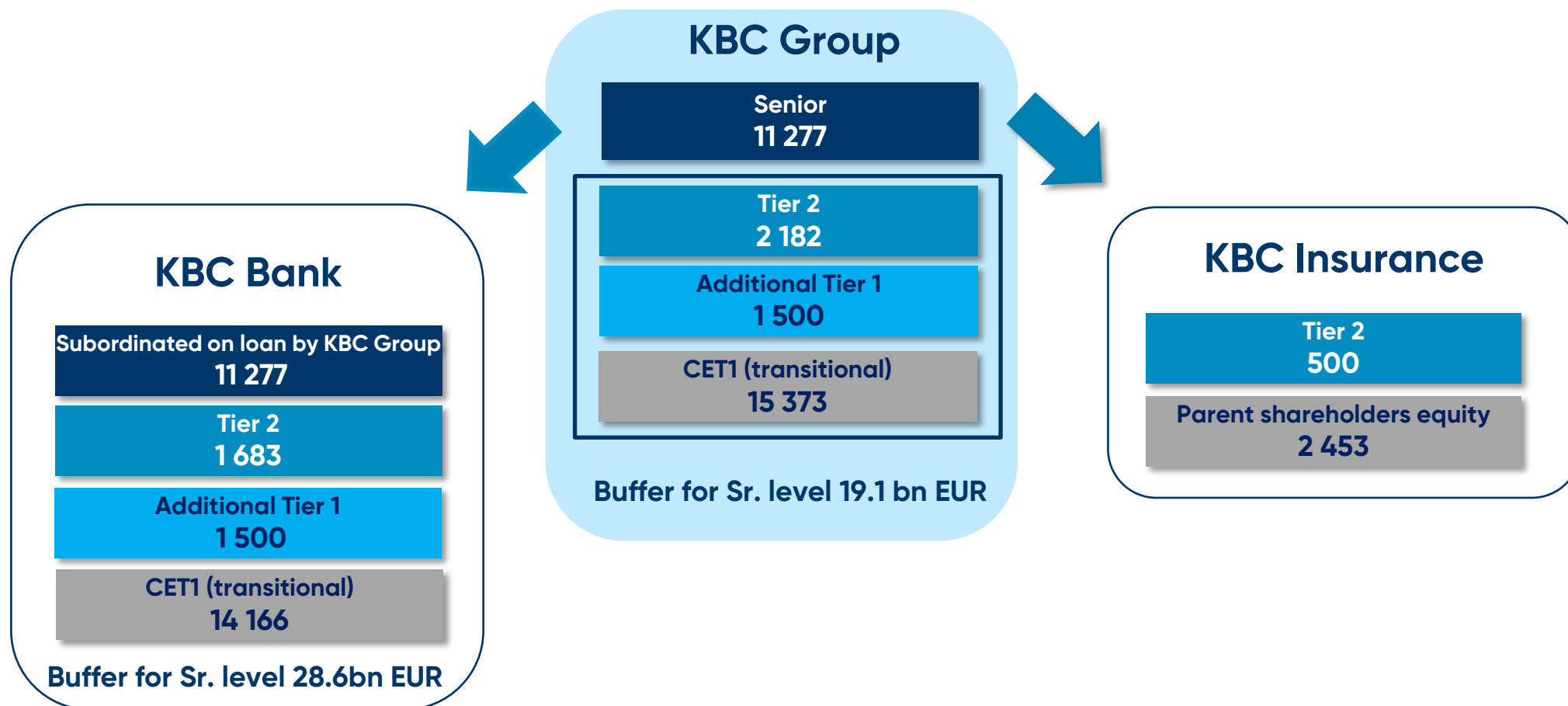
CUSTOMER FUNDING

in bn EUR



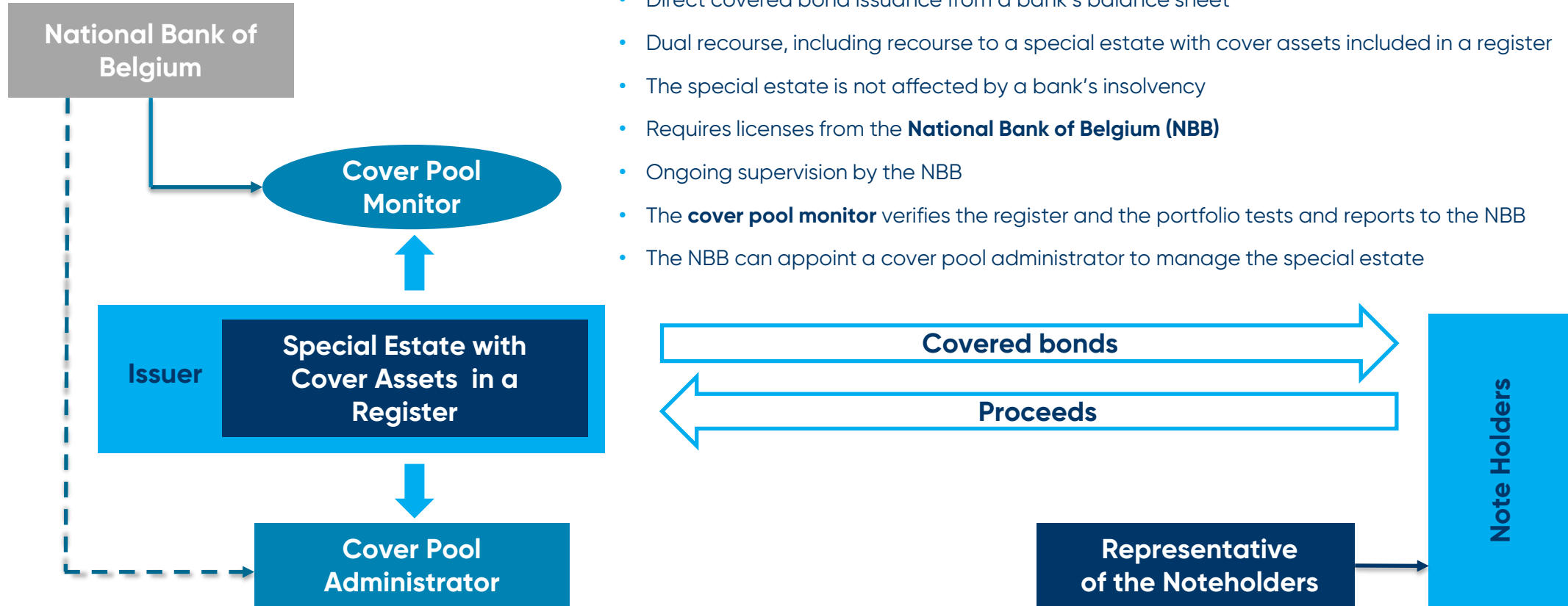
BUFFERS FOR SENIOR LEVEL DEBT AT KBC GROUP, KBC BANK & KBC INSURANCE

in m EUR



The covered bond programme is considered as an important funding tool for the treasury department. KBC's intentions are to be a frequent benchmark issuer if markets and funding plan permit.

Issuer	KBC Bank NV		
Main asset category	Minimum 105% of covered bond outstanding is covered exclusively by residential mortgage loans and collections thereon <ul style="list-style-type: none"> • Branch originated prime residential mortgages predominantly out of Flanders • Selected cover assets have low average LTV (62.6%) and high seasoning (56 months) • Disciplined origination policy 		
Programme size	17.5bn EUR Outstanding amount of 11.92 bn EUR		
Interest rate	Fixed rate, floating rate or zero coupon		
Maturity	<ul style="list-style-type: none"> • Soft bullet: payment of the principal amount may be deferred past the final maturity date until the extended final maturity date if the issuer fails to pay • Extension period is 12 months for all series 		
Events of default	<ul style="list-style-type: none"> • Failure to pay any amount of principal on the extended final maturity date • A default in the payment of an amount of interest on any interest payment date 		
Rating agencies	<ul style="list-style-type: none"> • Moody's • Fitch 	Aaa AAA	10.5% over-collateralisation 4% over-collateralisation



Several legal protection mechanisms are in place:

- | | |
|---|--|
| <p>1 Collateral type</p> | <p>The value of one asset category must be at least 85% of the nominal amount of covered bonds</p> <ul style="list-style-type: none"> ✓ KBC Bank exclusively selects residential mortgage loans and commits that their value (including collections) will be at least 105% |
| <p>2 Over-collateralisation test</p> | <p>The value of the cover assets must at least be 105% of the covered bonds</p> <p>The value of residential mortgage loans:</p> <ol style="list-style-type: none"> 1) Is limited to 80% LTV 2) Must be fully covered by a mortgage inscription (min 60%) plus a mortgage mandate (max 40%) 3) 30 day overdue loans get a 50% haircut and 90% overdue (or defaulted) get zero value |
| <p>3 Amortisation test</p> | <p>The sum of interest, principal and other revenues of the cover assets must at least be the interest, principal and costs relating to the covered bond</p> |
| <p>4 Liquidity test</p> | <p>Cover assets must generate sufficient liquidity or include enough liquid assets to pay all unconditional payments on the covered bonds falling due the next 6 months</p> |
| <p>5 Stress testing</p> | <p>Quarterly stress testing on all Cover tests and Liquidity test</p> <ol style="list-style-type: none"> 1) Interest rate shifts of +200bp/-200bp combined with stressed prepayments rates 2) Decreases in credit quality of the borrowers |
| <p>6 No cap on issuance</p> | <p>Currently no issuance limit for KBC Bank NV. Supervisor monitors the TLOF ratio (min 8%) and the encumbrance ratio and has the possibility to limit the issuance volume in order to protect KBC's other creditors.</p> |

Aligned with best practices and market developments

- **The KBC Green Bond Framework** is in line with the Green Bond Principles (2017)
- Second party opinion provided by Sustainalytics and Pre-issuance- certification by the Climate Bonds Initiative
- KBC intends to align its Green Bond Framework with emerging good practices, such as a potential European Green Bond Standard or other forthcoming regulatory requirements and guidelines
- For details of the KBC green bond framework, we refer to kbc.com: <https://www.kbc.com/en/investor-relations/debt-issuance/kbc-green-bond.html>
- **In the context of the Green Bond**, KBC allocated the proceeds to three green asset categories: **renewable energy (share of 45%) and residential real-estate loans (share of 55%)**.
- For future transactions, in cooperation with the relevant business teams, KBC aims to capture more green assets from other categories and expand the green eligibility to more business lines and clients.



Certification

- The Climate Bonds Standard Board approved the certification of the KBC Green Bonds



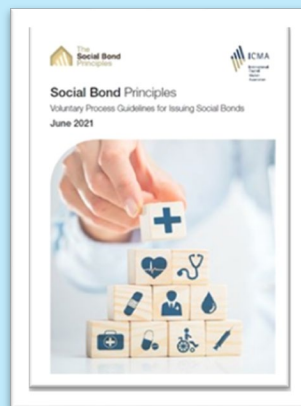
Verification

- One year after issuance and until maturity, a limited assurance report on the allocation of the Green Bond proceeds to Eligible Assets to be provided by an external auditor
- See latest impact report as of EOY 2021 available on [kbc.com](https://www.kbc.com):

KBC GREEN BOND 2018 – ASSETS & IMPACT	Renewable energy	Green buildings
Allocated amount	195.9m EUR	304.1m EUR
Electricity produced/energy saved	378,038 mWh	25,951 mWh
Avoided CO ₂ emissions	77,414 tonnes	4,861 tonnes
KBC GREEN BOND 2020 – ASSETS & IMPACT	Renewable energy	Green buildings
Allocated amount	264.8m EUR	235.2m EUR
Electricity produced/energy saved	413,354 mWh	20,075 mWh
Avoided CO ₂ emissions	84,647 tonnes	3,761 tonnes
KBC GREEN BOND 2021 – ASSETS & IMPACT	Renewable energy	Green buildings
Allocated amount	323.5m EUR	426.5m EUR
Electricity produced/energy saved	592,276 mWh	36,395 mWh
Avoided CO ₂ emissions	121,286 tonnes	6,819 tonnes

Aligned with best practices and market developments

- By adding the social aspect to its funding mix, KBC Bank can further enhance its ability to finance social projects and increase its positive social impact on society.
- **The KBC Social Bond Framework** is aligned with ICMA's Social Bond Principles (2021).
- Second party opinion provided by Sustainalytics (May 2022)
- Information pertaining to the Social Bond Framework can be found on kbc.com: <https://www.kbc.com/en/investor-relations/debt-issuance/kbc-social-bond.html>

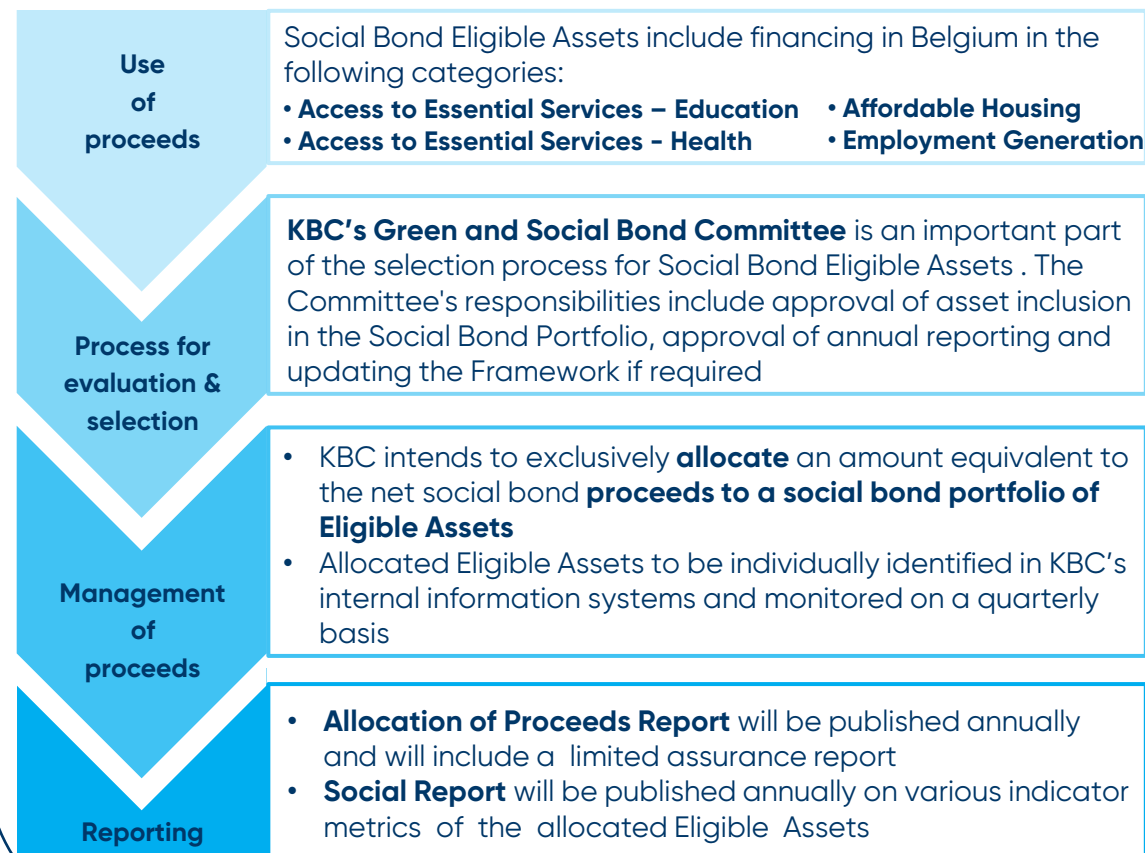


First financial institution in Belgium



- **KBC Group was the first financial institution in Belgium to issue a Social Bond** (18th of August 2022)
- The first issuance has been 100% allocated to the hospital sector.

Clear Social Bond governance



Economic outlook

- Leading confidence indicators suggest that the euro area economy has entered a technical recession in the fourth quarter, with the economy expected to shrink during the fourth quarter of 2022 and the first quarter of 2023 due to the impact of the energy crisis and the tightening financial conditions
- The economies of both Belgium and the Czech Republic are likely to have entered a technical recession, with real GDP expected to shrink in the fourth quarter 2022 as well
- The most important risk to our short-term European growth outlook relates to critical energy deficits, caused by the possible inability of Europe to compensate a severe distortion of Russian gas supplies. Other risks continue to include the general post-pandemic supply chain disruptions, reappearing pandemic waves and the vulnerability caused by high levels of debt in the context of globally tightening financing conditions

Group guidance for 2022*

Based upon our latest set of macroeconomic and business assumptions (impacted by the invasion of Russia in Ukraine, causing major macroeconomic and financial shocks, and very volatile markets):

- We confirm our **FY22 total income guidance of 8.4bn EUR ballpark figure, of which 5.05bn EUR ballpark for NII**
- We confirm our **FY22 opex excluding bank taxes guidance of 4.15bn**
- This implies **jaws over 21-22** (between y-o-y topline growth and opex growth) of **roughly 4.0%**
- We confirm our **guided credit cost ratio for 2022 of between 10 and 25 bps** (25-30 bps = through-the-cycle CCR guidance)

* Our Group guidance for 2022 is based on the following assumptions:

- The consolidation of Raiffeisen Bulgaria as of mid-2022 and the consolidation of KBC Bank Ireland for the entire year 2022 (due to a delay of transaction approval)
- An additional P&L benefit from TLTRO3 of 73m EUR in 2H22 (neutralization of TLTRO3 benefit as of 23rd November 2022 taken into account)
- We took into account the CNB policy rate at 7.00% by end 2022 and further ECB rate hikes during 2022 (2.25% by end 2022)
- Volume growth estimated at roughly 8% y-o-y

3-year financial guidance*

CAGR total income ('21-'24)	± 7.0%	by 2024
CAGR OPEX excl. bank taxes ('21-'24)	± 3.0%	by 2024
Combined ratio	≤ 92%	as of now
Surplus capital **	> 15%	as of now

⇒ **Jaws of ± 4%**
 ⇒ **C/I ratio excl BT ±46%**

* IFRS17 impact is not yet taken into account given early days

** Fully loaded CET1 ratio, Danish Compromise

Long-term financial guidance

Credit cost ratio	25-30 bps	through-the-cycle
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Regulatory requirements

Overall capital requirement (OCR)*	≥ 11.43%	by 2022
MREL as a % of RWA**	≥ 27.46%	by 2024
MREL as a % of LRE**	≥ 7.41%	by 2024
NSFR	≥ 100%	as of now
LCR	≥ 100%	as of now

* Excluding Pillar 2 guidance of 100 bps

** The SRB communicated the final MREL targets (under BRRD2) in % of RWA and in % of LRE to KBC. Regarding MREL as a % of RWA, an intermediate MREL target of 26.36% as from 01-01-2022. Regarding MREL as a % of LRE, an intermediate MREL target of 7.34% as from 01-01-2022

Dividend policy & capital distribution (as of 2022)

- We aim to be **amongst the better capitalised** financial institutions in Europe. As a consequence, the dividend policy of KBC Group is tailored to that purpose. Each year, the Board of Directors will decide, at its discretion, on the total dividend based on the assessment of risks, forward looking profitability and strategic opportunities
- **Payout ratio policy** (i.e. dividend + AT1 coupon) **of at least 50% of consolidated profit** of the accounting year
- **Interim dividend of 1 EUR per share** in November of each accounting year as an advance on the total dividend
- On top of the payout ratio of at least 50% of consolidated profit, **each year** (when announcing the full year results*), the Board of Directors will take a **decision, at its discretion**, on the distribution of the **capital above 15.0% fully loaded CET1 ratio, so-called surplus capital**. The distribution of this surplus capital can be **in the form of a cash dividend, a share buy-back or a combination of both**
- From the moment Basel IV will apply (as from 1 January 2025 at the earliest), the capital deployment plan will be updated



	KBC GROUP	BELGIUM BU	CZECH REPUBLIC BU	SLOVAKIA	HUNGARY	BULGARIA	GROUP CENTRE	Of which IRELAND
3Q22 NET RESULT (in million euros)	776m	444m	197m	24m	62m	61m	-11m	21m
9M22 ROAC (in %)	20%	21%	41%	16%				
ALLOCATED CAPITAL (in %)		60%	16%	5%	7%	7%	6%	4%
LOANS* (in billion euros) <small>(q-o-q organic** growth loans)</small>	186bn (+2%)	118bn (+2%)	35bn (+2%)	11bn (+3%)	6bn (+11%)	8bn (+5%)		9bn (-5%)
DEPOSITS*** (in billion euros) <small>(q-o-q organic** growth deposits)</small>	220bn (-2%)	141bn (-4%)	48bn (+1%)	8bn (+3%)	9bn (+1%)	11bn (-1%)		3bn (-25%)
BRANCHES (end 3Q22)		428	202	115	197	157		
CLIENTS (end 3Q22)	12.3m	3.8m	4.3m	0.8m	1.6m	1.7m		

* Loans to customers, excluding reverse repos (and bonds)

** Volume growth excluding FX effects, divestments/acquisitions and reclassifications

*** Customer deposits, excluding debt certificates and repos. Excluding the volatility in the foreign branches of KBC Bank (included in Belgium BU), customer deposits rose by 6% y-o-y both at KBC Group level as well as in Belgium BU

ADDITIONAL TIER I SECURITIES

Issuer	Currency	Isin Code	Issued (in mio)	Coupon	Re-off spread	Settlement date	Call date	Maturity	Trigger	Level
KBC Group	EUR	BE0002592708	1,000	4.250%	M/S+359,4bps	24/04/2018	24/10/2025	Perpetual	Temporary write-down	0.05125
KBC Group	EUR	BE0002638196	500	4.750%	M/S+468,9bps	5/03/2019	5/03/2024	Perpetual	Temporary write-down	0.05125

TIER II SECURITIES

Issuer	Currency	Isin Code	Issued (in mio)	Coupon	Re-off spread	Settlement date	Call date	Maturity date	Tenor	Trigger
KBC Group	EUR	BE0002290592	500	1.625%	M/S +125bps	18/09/2017	18/09/2024	18/09/2029	12YNC7	regulatory + tax call
KBC Group	EUR	BE0002664457	750	0.500%	M/S+110bps	3/09/2019	3/12/2024	3/12/2029	10.25NC5.25	regulatory + tax call
KBC Group	EUR	BE0002819002	750	0.625%	M/S+95bps	7/09/2021	7/09/2026	7/12/2031	10.25NC5.25	regulatory + tax call

SENIOR HOLDCO

Issuer	Currency	Isin Code	Issued (in mio)	Coupon	Re-off spread	Settlement date	Maturity date	Tenor
KBC Group	EUR	BE0002266352	750	0.750%	M/S +65bps	18/10/2016	18/10/2023	7y
KBC Group	EUR	BE0002281500	750	3M Euribor +55bps	3M Euribor +55bps	24/05/2017	24/11/2022	5,5y
KBC Group	EUR	BE0002602804	500	0.875%	M/S +72bps	27/06/2018	27/06/2023	5y
KBC Group	EUR	BE0002631126	750+250	1.125%	M/S +95bps	25/01/2019	25/01/2024	5y
KBC Group	EUR	BE0002645266	500	0.625%	M/S +60bps	10/04/2019	10/04/2025	6y
KBC Group	EUR	BE0002681626	500	0.750%	M/S +65bps	24/01/2020	24/01/2030	10y
KBC Group	EUR	BE0974365976	500	0.500%	M/S +72bps	16/06/2020	16/06/2027	7NC6
KBC Group	EUR	BE0002728096	750	0.125%	M/S +60bps	3/09/2020	3/09/2026	6NC5
KBC Group	EUR	BE0002766476	750	0.125%	M/S+60bps	14/01/2021	14/01/2029	8NC7
KBC Group	EUR	BE0002799808	500 + 200	0.750%	M/S+65bps	31/05/2021	31/05/2031	10y
KBC Group	GBP	BE0002820018	400	1.250%	M/S+52bps	21/09/2021	21/09/2027	6y
KBC Group	EUR	BE0002832138	750	0.250%	M/S+47bps	1/12/2021	1/03/2027	5.25NC4.25
KBC Group	EUR	BE0002839208	750	0.750%	M/S+70bps	21/01/2022	21/01/2028	6NC5
KBC Group	EUR	BE0002846278	750	1.500%	M/S+90bps	29/03/2022	29/03/2026	4NC3
KBC Group	EUR	BE0974423569	750	2.875%	M/S+125bps	29/06/2022	29/06/2025	3NC2
KBC Group	EUR	BE0002875566	750	3.000%	M/S+125bps	25/08/2022	25/08/2030	8y
KBC Group	GBP	BE0002879600	425	5.500%	M/S+158bps	20/09/2022	20/09/2028	6NC5



PORTFOLIO DATA AS OF 30 SEPTEMBER 2022

in EUR

Total Outstanding Principal Balance	16 104 348 668
Total value of the assets for the over-collateralisation test	14 792 439 993
No. of Loans	210 974
Average Current Loan Balance per Borrower	117 192
Maximum Loan Balance	1 000 000
Minimum Loan Balance upon selection	1 000
Number of Borrowers	137 419
Longest Maturity	320 months
Shortest Maturity	1 month
Weighted Average Seasoning	59 months
Weighted Average Remaining Maturity	184 months
Weighted Average Current Interest Rate	1.64%
Weighted Average Current LTV	61.71%
No. of Loans in Arrears (+30days)	258
Direct Debit Paying	99%

INTEREST RATE TYPE

in %

Fixed	81%
1y / 1y	6%
3y / 3y	8%
5y / 5y	4%
10y / 5y	<1%
15y / 5y	<1%
20y / 5y	<1%

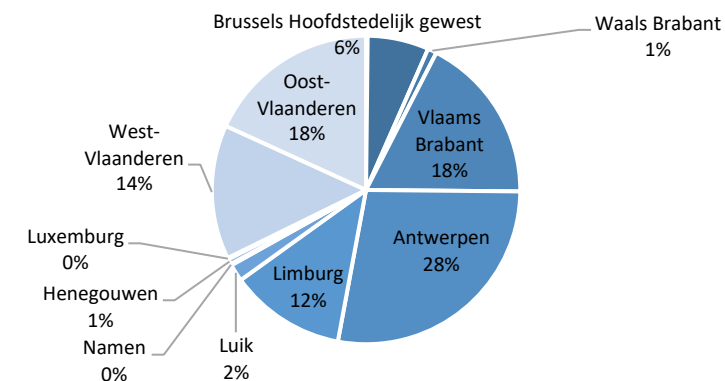
REPAYMENT TYPE

in %

Annuity	>99%
Linear	<1%

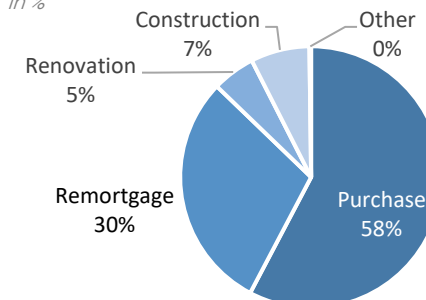
GEOGRAPHICAL ALLOCATION

in %



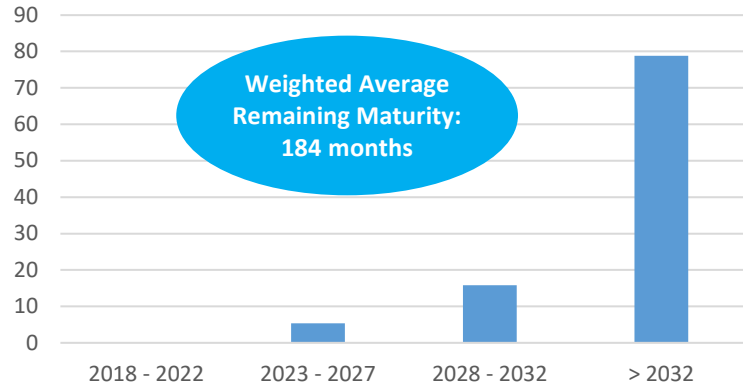
LOAN PURPOSE

in %

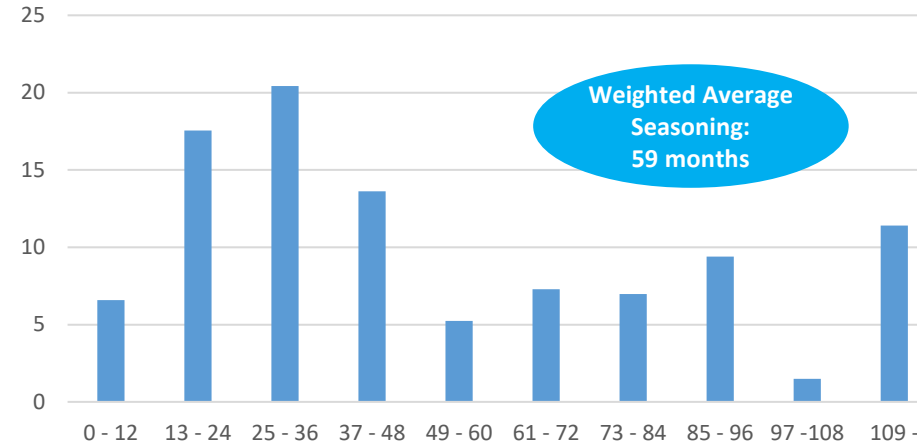


Investor reports, final terms and prospectus are available on www.kbc.com/covered_bonds

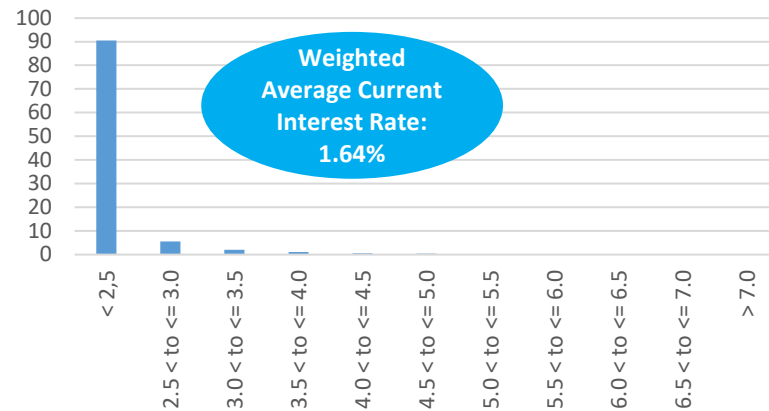
FINAL MATURITY DATE



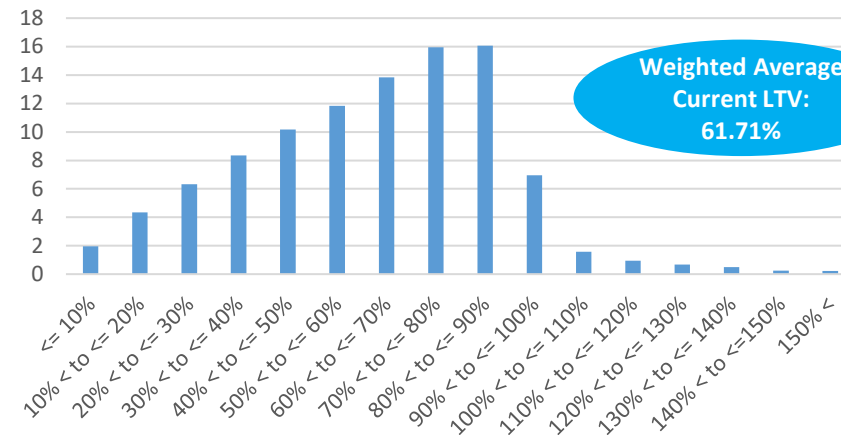
SEASONING



INTEREST RATE



CURRENT LTV



The y-o-y house price increase slowed to 5.9% in Q2 2022, down from 8.2% in Q3 2021

House price dynamics in Belgium seem to slow down

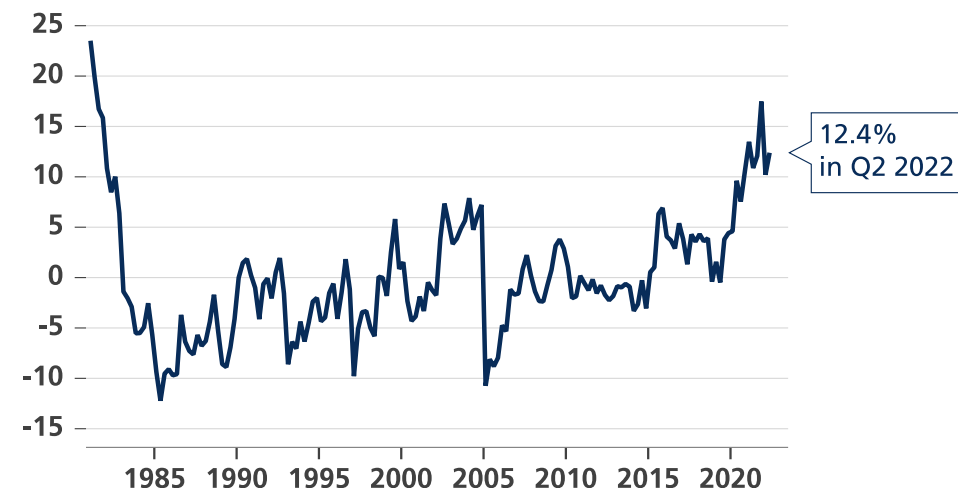
The overvaluation of Belgian real estate is estimated at some 12% in Q2 2022

Eurostat house price index
(total dwellings, year-on-year change, in %)



Source: KBC Economics based on Eurostat

Belgium - Under-/overvaluation housing market
(in %, KBC econometric model) (*)



Source: own calculation KBC Economics
(*) Deviation from the 'fundamental price' as determined by household disposable income, mortgage interest rate, number of families and real estate taxation.

Glossary

B3 / B4	Basel III / Basel IV
CBI	Central Bank of Ireland
Combined ratio (non-life insurance)	[technical insurance charges, including the internal cost of settling claims / earned premiums] + [operating expenses / written premiums] (after reinsurance in each case)
Common equity ratio	[common equity tier-1 capital] / [total weighted risks]
Cost/income ratio (group)	[operating expenses of the group] / [total income of the group]
Cost/income ratio adjusted for specific items	The numerator and denominator are 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 include (i) MtM ALM derivatives (fully excluded), (ii) bank & insurance taxes (including contributions to European Single Resolution Fund) are included pro rata and hence spread over all quarters of the year instead of being recognised for the most part upfront (as required by IFRIC21) and (iii) one-off items
Credit cost ratio (CCR)	[annualised net changes in individual and portfolio-based impairment for credit risks] / [average outstanding loan portfolio]. Note that, inter alia, government bonds are not included in this formula. As the full collective Covid-19 expected credit losses (ECL) have been booked in 1H20, they were not annualised to calculate the ratio in 1H20
EBA	European Banking Authority
ESMA	European Securities and Markets Authority
ESFR	European Single Resolution Fund
FICOD	Financial Conglomerates Directive
Impaired loans cover ratio	[total specific impairments on the impaired loan portfolio (stage 3)] / [part of the loan portfolio that is impaired (PD 10-11-12)]
Impaired loans ratio	[part of the loan portfolio that is impaired (PD 10-11-12)] / [total outstanding loan portfolio]
Leverage ratio	[regulatory available tier-1 capital] / [total exposure measures]. The exposure measure is the total of non-risk-weighted on and off-balance sheet items, based on accounting data. The risk reducing effect of collateral, guarantees or netting is not taken into account, except for repos and derivatives. This ratio supplements the risk-based requirements (CAD) with a simple, non-risk-based backstop measure
Liquidity coverage ratio (LCR)	[stock of high quality liquid assets] / [total net cash outflow over the next 30 calendar days]
Management overlay	Our Expected Credit Loss (ECL) models were not able to adequately reflect all the specifics of the Covid-19 crisis or the various government measures implemented in the different countries to support households, SMEs and Corporates through this crisis. Therefore, an expert-based calculation at portfolio level is required via a management overlay
MREL	Minimum requirement for own funds and eligible liabilities
Net interest margin (NIM) of the group	[banking group net interest income excluding dealing room] / [banking group average interest-bearing assets excluding dealing room]
Net stable funding ratio (NSFR)	[available amount of stable funding] / [required amount of stable funding]
PD	Probability of default
Return on allocated capital (ROAC) for a particular business unit	[result after tax, including minority interests, of a business unit, adjusted for income on allocated capital instead of real capital] / [average capital allocated to the business unit]. The capital allocated to a business unit is based on risk-weighted assets for banking and risk-weighted asset equivalents for insurance
Return on equity	[result after tax, attributable to equity holders of the parent] / [average parent shareholders' equity, excluding the revaluation reserve for fair value through Other Comprehensive Income (OCI) assets]
TLAC	Total loss-absorbing capacity

Contacts / questions



Download the KBC IR APP



Kurt De Baenst
Investor Relations
General Manager

direct +32 2 429 35 73
mobile +32 472 500 427
kurt.debaenst@kbc.be



Ilya Vercammen
Investor Relations
Manager

direct +32 2 429 21 26
mobile +32 472 727 777
ilya.vercammen@kbc.be



Dominique Agneesens
Investor Relations
Manager

direct +32 2 429 14 41
mobile +32 473 657 294
dominique.agneesens@kbc.be



Martijn Schelstraete
Investor Relations
Analyst

direct +32 2 429 08 12
mobile +32 474 213 535
martijn.schelstraete@kbc.be

More information

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- Quarterly presentation
• Debt presentation [Presentations](#)

Upcoming 2022 / 2023 events

10 November	Equity roadshow, London
15 November	ESG Event, Paris
17 November	Credit Suisse Conference, Madrid
17 November	Equity roadshow, Paris or Brussels
22 November	Debt: Credit update, Frankfurt
29 November	Debt: Credit update, Luxemburg
30 November	Equity roadshow, New York
1 December	Equity roadshow, Boston
7 December	Goldman Sachs Conference, New York
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9 February	FY2022 / 4Q2022 Publication of Results
10 February	Equity roadshow, London

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